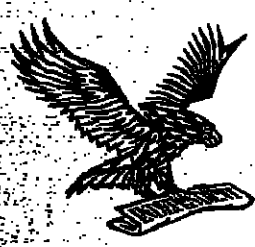


35p



INDEPENDENT

35p

TUESDAY 7 NOVEMBER 1995

SECTION TWO

DAVID HOCKNEY ON HIS DRAWINGS
Britain's most popular living artist interviewed
and what Conran and Quant think of him



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'A man of courage and vision. He lived as a soldier and died as a soldier of peace'



United in grief: (from left) Chancellor Helmut Kohl, German President Roman Herzog, UN Secretary General Boutros Boutros-Ghali, Egyptian President Hosni Mubarak, Hillary Clinton, President Bill Clinton, Dutch Prime Minister Wim Kok, Queen Beatrix of the Netherlands and acting Israeli Prime Minister Shimon Peres

The world's leaders gathered in Jerusalem to mourn Yitzhak Rabin

To the wail of sirens and eulogies by world leaders, Israel yesterday buried its war hero and peacemaker Yitzhak Rabin, assassinated by a fellow Jew who opposed his peace with the Palestinians.

Soldiers and statesmen sobbed as mourners ranging from US President Bill Clinton to Rabin's grand-daughter praised the prime minister who died for Middle East peace.

President Clinton and Israel's former foe, Jordan's King Hussein and Egyptian President Hosni Mubarak, said the greatest memorial for Rabin would be to continue his drive to end half a century of Arab-Israeli fighting.

"He was a man of courage, a man of vision, and he was endowed with one of the greatest virtues that any man can have. He was endowed with humility," said King Hussein. "You lived as a soldier. You died as a soldier for peace."

In Tel Aviv, student Yigal Amir confessed in court to shooting Rabin because he was handing back land to Palestinians. His brother Hagai Amir prepared at least one of the dumdum bullets that shattered Rabin's chest at a peace rally on Saturday, police said.

The whole of Israel stood in silent tribute for two minutes when the sirens that each year commemorate the Nazi Holocaust marked the start of the two-hour-long funeral on a Jerusalem hilltop. Seven soldiers fired three volleys over the grave of the Six Day War army commander to conclude the emotional ceremony.

Some 4,500 mourners stood beneath the pines and cypresses of the Mount Herzl National Cemetery, where Rabin's wooden coffin was lowered into a sandy grave. Only a small group of relatives and dignitaries were allowed to the graveside, where they placed earth on top of the flag-draped coffin.



God's assassin, Section Two

"I ask you, the people of Israel, on behalf of my nation, that knows its own long history of loss, from Abraham Lincoln to President Kennedy, to Martin Luther King, do not let that happen to you."

The funeral united Israelis in grief, but the murder showed how deeply divided their militarised society is. Some blamed the climate created by right-wing extremists who have likened Rabin to a Nazi for handing over much of the West Bank and Gaza Strip, which they consider their birthright. Settlers in the Occupied Territories condemned the killing, but some hardliners in the West Bank settlement of Kiryat Arba were unmoved. "Like every real Jew I feel very good. I feel more than good. I feel he deserved, thank God," said resident Aric Bar-Yosef.

Leaders' tributes, pages 2, 3

Leading article, page 18

Shock defeat for Tories over MPs' earnings

Nolan triumph as backbench rebellion gives Labour victory

DONALD MACINTYRE
Political Editor

John Major and the Tory high command last night suffered a humiliating parliamentary defeat when the Commons voted 322 to 271 to compel MPs to disclose their outside income by next March, in line with Lord Nolan's report on standards in public life.

Thanks to a big Tory backbench rebellion, which delivered Labour the Commons triumph, MPs backed the most dramatic change this century in the rules which regulate their behaviour by agreeing to earnings disclosure as well as an immediate ban on "advocacy" by MPs in support of their commercial interests.

Although the decision was technically on a free vote, it flew in the face of a strong appeal from Tony Newton, the Leader

of the House, not to back a Labour amendment calling for disclosure, and a clear signal last week by the Prime Minister that he was against disclosure of earnings.

Mr Major and Tony Blair, the Labour leader, did not vote last night because they were attending the funeral in Jerusalem of Yitzhak Rabin. But the Prime Minister had made clear that he supported the Tory majority on the Nolan Select Committee, which proposed the advocacy ban, although he rejected Lord Nolan's position on disclosure.

Earlier, Sir Edward Heath had led a ferocious counter-attack on Labour, saying that it was motivated by "a doctrine of envy and hatred". By contrast, John Biffen, a former senior Tory minister, broke rank with Mr Major to warn MPs that they could not, and in the end would



Lord Nolan: deep divisions in Commons over his report

not, ignore a "powerful mood of public anxiety" about their financial activities.

Mr Biffen, speaking with the authority of a former Leader of the Commons, and Sir Edward

as a former Prime Minister, exposed the deep divisions within the Tory party over Nolan.

Labour sources last night claimed that MPs who supported the Opposition in the vote included Emma Nicholson, Peter Thurnham, David Nicholson, Richard Shepherd, John Biffen, Barry Porter, Allan Stewart and David Tredinnick - the MP censured earlier this year in the "cash for questions" row. Edwina Currie abstained and said: "It has been made clear to me in my constituency by committed Conservatives that they're not happy about concealment."

Mr Biffen, in stark contrast to Sir Edward Heath said there was an irreversible trend towards transparency of earnings outside Westminster: "I cannot see the House turning away from the requirement for financial disclosure."

Mr Biffen's intervention in the continuing row over how MPs can best defend themselves against complaints of financial "sleaze" came as the rebel Tory backbenchers voted down the recommendations of the Tory majority on the special select committee.

Mr Biffen pointed out that it would soon be the norm for the pay of individual company directors to be identified in company reports. Sir Richard Greenbury's committee on top pay has proposed the inclusion of directors' salaries from January 1996. This meant that what an MP got as a director would be public knowledge, but what he received as a consultant "will remain within the veils of mystery". He added: "I tell you - you can't hold that situation. It's nothing to do with the decision we are taking today, but with other forces out-

side this chamber which are requiring a different approach to disclosure."

Mr Newton said the advocacy ban - which would prevent MPs initiating debates asking questions or introducing Bills on behalf of their own commercial interests went "significantly further" than earlier regulations of the Commons.

He insisted that the case for disclosure "fell away" if the activity itself was to be banned. "On this is in every other matter, it is for the judgment of Members to decide," he said. Moving the amendment in favour of disclosure of earnings, Ann Taylor, the shadow Leader of the House, said: "There are Members on both sides of the House who resent the fact that all MPs are getting a bad name because of the activities of a few."

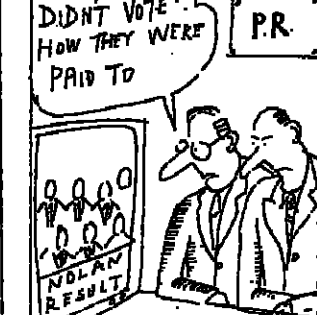
Nolan debate, page 4

IN BRIEF

IRA pair face extradition
Extradition proceedings were started yesterday in the Republic of Ireland by Britain for two IRA prisoners, Nesson Quinlivan and Pearce McCauley, who broke out of Brixton prison four years ago in one of the most embarrassing breaches of security in a British jail. Page 5

MPs deal blow to Bank
The Bank of England's powerful position as supervisor of the banking sector is to be dealt a serious blow today as MPs call for a full-scale review by the Treasury in the wake of the Barings scandal. An all-party report raises the prospect of the Bank being stripped of its supervisory role. Page 20

Mackay on course
Proposals by Lord Mackay, the Lord Chancellor, to overhaul divorce law have emerged unscathed from an onslaught by Tory right-wingers and will be outlined as originally planned in next week's Queen's Speech. Page 6



US bid for Seaboard
A US firm, Central and South West Corporation, launched an agreed £1.6bn bid for Seaboard and snapped up 23.9 per cent of the shares in the market. Page 20

Computer games battle
The battle for hearts, minds and power supplies in the Christmas computer games market began in earnest as Sony announced its PlayStation was the fastest selling video games system ever. Page 7

COMMENT

Andrew Marr: Ulster needs a Rabin. Page 19
Teresa Gorman: Lord Mackay is right. Page 19
News Analysis: When historical monuments can't take the strain of the tourists. Page 17

Another View: King Arthur Pendragon says English Heritage should leave Stonehenge alone. Page 18
Leading Article: "From the shared grief of this funeral to a shared peace and economic prosperity will involve another long and turbulent march. Yitzhak Rabin's legacy is that his countrymen have been shown the way." Page 18

Weather: Dry and bright in south-east England, the Midlands and East Anglia. Other areas will have some drizzle but it will be bright at times. Section Two, page 21

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King Hussein of Jordan



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President Clinton



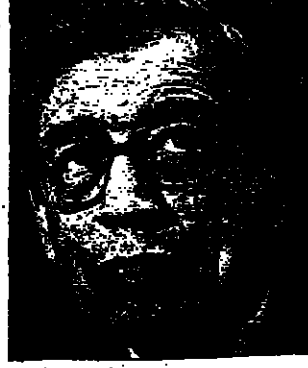
'The best memorial is to continue what he started, which is the peace process'

Hosni Mubarak, President of Egypt



'He did what he did so our children will no longer know the pain of war. That is our goal'

Boutros Boutros-Ghali



Old enmities are forgotten as kings

Peres faces tough task to heal Israel's deep divide

PATRICK COCKBURN
Jerusalem

"My heart is torn between unprecedented grief and unending fear," said Shimon Peres, acting Prime Minister, the day after Yitzhak Rabin was shot. "Fear for the future fills my heart. Boundless and unending fear."

It was a sombre beginning for Mr Peres. His period in office will inevitably be marked by the circumstances in which he took power. In the short term he will benefit from the backlash against the right, widely accused of creating the atmosphere of violence which ended in the death of Rabin.

But Mr Peres knows that the divisions which led to the assassination are deep and are not going to heal easily. Israeli society is riven by the Oslo accords, which will lead to Palestinian self-rule and an Israeli withdrawal. These divisions may be muted for a few months but will inevitably re-emerge.

Mr Peres could go for a snap election, but his political instincts are probably against it. The earliest they could happen is in three months, by which time the impact of Rabin's death will be diminishing. He may also want to show the first stages of Palestinian self-rule on the West Bank working. The withdrawal from the Palestinian towns is to be carried out over the next two months.

Mr Peres, as a student of world politics, might be tempted by the parallel with John Kennedy's death in 1963 and the sweeping electoral victory of Lyndon Johnson the following year. As with Rabin, Kennedy's political programme was incomplete and had to be finished by his successor. But LBJ was, in some respects, better able to deliver JFK's civil-rights and social programmes because he came from the conservative South. Now, it is the accommodating Mr Peres who has to fill the shoes of the hardliner turned peace-maker. He must persuade even the moderate sections of the Israeli electorate that he can be trusted to make a secure peace.

As Foreign Minister Mr Peres has always been difficult



Shimon Peres, the interim Prime Minister, laying a wreath yesterday on Rabin's grave Photograph: Reuters

to read, even though he is exceptionally eloquent: the very torrent of words often seems to obscure his true meaning. His writings have been poorly reviewed on the grounds that they tend to overplay his role even in actions of which he could be genuinely proud.

He was a relatively popular prime minister for 25 months under a power-sharing arrangement with the rival Likud party in 1984-86. But he has long seemed out of place on Israel's political stage, his visions of a new and flourishing Middle

East rarely taken seriously by war-hardened Israelis.

Four times — in 1977, 1981, 1984 and 1988 — he failed to win a national election outright. Problems welding coalitions and garnering support for secret peace plans gave him a reputation as a loser and a schemer.

His has been an extraordinary career. Arriving in Israel from his native Poland at the age of 11, he began his public career in his 20s before Israel's creation in 1948. He was only 30 when David Ben-Gurion appointed him director-general of

the Ministry of Defence in 1953. He played a critical role in creating the Israeli atomic bomb, a period during which he cultivated France. He speaks French and has continued to have many French friends. (He spent 50 minutes with President Chirac yesterday). During the 1960s he joined Ben-Gurion and Moshe Dayan to lead a right-wing breakaway from Labour. He was in government but held junior ministerial posts which were not prominent enough for him to be damaged by the 1973 war, which ended the political careers of Dayan and Golda Meir.

During the 1970s he was on the right of Labour and a rival of Rabin, the prime minister up to 1977. In the aftermath of electoral defeat he took over leadership of Labour in a period when Israel was dominated by the right-wing Likud party.

In 1984-86 he was prime minister of a national-unity government and swung to the left but his contacts with Jordan and the PLO were thwarted by Likud.

Peter Demant, an historian, says Mr Peres has always suffered, perhaps unfairly, because of his "image in the Israeli domestic arena — as opposed to his international reputation — of being a well-heeled talker and shrewd manipulator rather than a statesman. Not one of us". After failing to get rid of Likud in 1990, Mr Peres lost the leadership of Labour the following year to Rabin, a more successful vote-winner.

Despite their famous rivalry, Mr Peres and Rabin were extraordinarily successful in co-operating when they won the 1992 election. During talks with the Palestinians Mr Peres often appeared to be the scout, while Rabin was more conservative. The relationship between the two became close. Mr Peres appears sincerely shocked by the assassination and is going into deep mourning for seven days.

Dr Demant says: "My hunch is that he won't go for an early election, though he might have a better chance. He will probably prefer to build a record of his own on which he can run successfully."



Yitzhak Rabin's widow, Leah (centre, left) is comforted by her son, Yuval, while Rabin's grandson, Yonatan, a paratrooper, consoles his mother, Dalila, at the Prime Minister's burial yesterday Photograph: Jim Hollander/Reuters

Movers and shakers impotent in the face of Middle East history

MICHAEL SHERIDAN
Diplomatic Editor

Jerusalem — There was a powerful, yet curiously impotent symbolism about the array of world leaders who came to make the trek from Tel Aviv up through the bare hills of Judea to bury Yitzhak Rabin in the hillside cemetery reserved for Israel's national heroes.

As the streets of Tel Aviv lay deserted as at no time since the missile alerts of the Gulf war, the procession of dignitaries came to reaffirm the international community's commitment to the process of peaceful negotiation that Rabin set in motion. Behind the scenes of

the funeral's religious theatre there were hard-headed exchanges about how best to preserve the political dialogue between Israel and its one-time Arab enemies.

One by one, the jets landed from around the globe at the airport, closed for the day to civilian traffic. There was President Bill Clinton's jumbo and a tiny executive jet from Qatar.

There was a presidential aircraft of Georgia's President Eduard Shevardnadze and the flyushin that brought the leaders of modern Russia to the airport through which so many of their Jewish former citizens

have flowed to the promised land. The scene was lent an eerie imagery of military strength by the unexplained coming and going of enormous US military transports.

All the members of the Group of Seven industrialised nations were represented. So were small new countries and states that had held Israel in contemptuous isolation for most of Rabin's life. But symbols and public displays in the Middle East often serve merely to comfort the foreign observer rather than to resolve the innermost conflicts which continue to divide the region.

The Israeli government appears, for the moment, firmly resolved to continue the peace process under the interim prime minister, Shimon Peres. But the assassination, having opened so many raw wounds in Israeli society, has defined the terms of Israel's violent political debate so starkly that the assumption of Jewish solidarity no longer applies. This fracturing, this lethal retribution visited upon a figure who had been thought to combine warrior and guardian in his own person, means that any successor to Yitzhak Rabin will tread a more cautious path.

Practical steps are bound to come at once. President Clinton will feel bound to relaunch and reinvigorate the negotiating process to which he has committed his presidential prestige. Diplomats expect the Secretary of State, Warren Christopher, almost at once to make a new attempt to restart talks between Israel and Syria, its last remaining significant foe.

Syria's approach to peace is intertwined with that of Lebanon. Rabin, who deployed an iron fist against guerrillas operating in south Lebanon, was so preoccupied by security issues on the northern frontier that he made the pace of negotiation with Syria painfully slow. It will remain to be seen whether this violent shock to the sleepy Middle Eastern negotiating machine may yet galvanise Syria and Israel to make hitherto unwelcome compromises.

Nobody should forget the outpouring of grief and solidarity among the Western nations that followed the assassination 14 years ago of President Anwar Sadat. Cut down by the bullets of a soldier in his own army fired by radical Islam, Sadat was buried amid promises that his life's work would be continued and advanced. Instead it has merely been preserved.

The arrival here yesterday of Sadat's successor, Hosni Mubarak, was the first visit made to Israel by the Egyptian president in all the years he has held power. Israel and Egypt have a "cold peace". On paper, everything Israeli wanted exists. Trade, diplomatic relations, tourism, financial and airline links. The Israeli flag flies in Cairo. But the long years of "cold peace" have not been infused with the least enthusiasm on the part of ordinary Egyptians, and radical Muslims opposed to Mr Mubarak see the both at his heavy-handed repression of fundamentalism and his alliance with the "Zionist entity".

Yesterday's great absentee was Yasser Arafat. The wounds are too recent, the pain too deep for even Rabin's collaborators to witness Mr Arafat paying

homage at his graveside. And for a shaken Mr Arafat, such an attendance could well have marked his own death-warrant.

There were many quotations yesterday. It may be safely said that the good done by Yitzhak Rabin will not be interred with his bones. But the evils of the Middle East surely live after him, sanctioned by religion, channelled by politicians, and grounded still in the bitter, grinding contest for possession of the barren lands that sweep up past his resting-place through the wadis, villages, and minarets of the West Bank, and not least, in the psychologically divided city of Jerusalem itself.

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news

NOLAN DEBATE

Public 'anxiety' will force MPs to disclose

STEPHEN GOODWIN
Parliamentary Correspondent

John Biffen, the former Leader of the Commons, yesterday forecast that MPs will eventually be forced by the public mood to disclose not only their earnings from parliamentary-related work but also all their outside income.

Raising the tone of a testily introspective debate on Lord Nolan's recommendations on MPs' conduct, the former Tory Cabinet minister said there was "a powerful mood of public anxiety" about how MPs performed. "The institution cannot be separated from its membership."

Mr Biffen pointed out that, in the corporate sector, companies had now to list directors' fees in the company accounts. This situation would be untenable if the fees of MPs who were directors were disclosed, but those of MPs who were consultants remained veiled in mystery. "I cannot see the House turning away from the requirement for financial disclosure. If it is good enough in the corporate sector, this will be the engine of change that will run through our procedures. I believe it will run eventually to non-parliamentary interests."

Opening the debate, Tony Newton, the current Leader of the Commons, urged MPs to back the select committee's recommendations for a ban on advocacy and reject Labour's call for the full disclosure of payments relating to their position as MPs.

He hailed the package of reforms as the "most significant strengthening of our rules for decades" and claimed, as John Major had previously, that a ban on paid advocacy went "significantly further" than the curbs

proposed by Lord Nolan. Several Tories complained that it would inhibit their ability to speak up on issues. Tony Banks, Labour MP for Newham NW, said he received support from the International Fund for Animal Welfare to employ an additional member of staff. "If I continue to do so," he asked, "... am I then prevented from initiating debates and asking questions and putting down Bills or Early Day Motions?"

Mr Newton told him that, under the changes: "if you are receiving payment or a benefit of kind such as the payment for a research assistant the answer would be 'yes'."

Ann Taylor, shadow leader of the House, dismissed stories about income tax returns being made public as "no more than smoke-screens, and a diversion from the central issue." She warned that there was far more chance of MPs' tax returns being made public if her amendment was defeated.

To Opposition cheers, Mrs Taylor said: "There are Members on both sides of the House who resent the fact that all MPs are getting a bad name because of the activities of a few."

For the Liberal Democrats, Robert Mactennan said it was "not only the venal behaviour of some MPs which should be under the spotlight". It was the failure of Parliament to do its job which fostered the growth of the lobbying business.

"The huge increase in the volume of legislation, inadequacy of consultation, poor preparation, the partisan nature of these measures - have all contributed to the growth in the army of consultants outside Parliament. It is their business to get a fair hearing for those interests affected by Parliament."



Call for disclosure: Lord Nolan, whose recommendations have given rise to a 'testily introspective' debate on MPs' hidden earnings

Photograph: Dillon Bryden

"Nolan has offered some medicine, which Parliament should swallow. But it has been treating the symptoms rather than the cause. There is a systematic failure in Parliament which requires a Great Reform Act to unplug our Westminster model of government."

Arguing for disclosure, Tory David Wilshire said he was fed up of being called a "sleazebag". "Every time Tory MPs are attacked I am included, and it hurts," Mr Wilshire said he would not be voting for Labour but for Parliament. He would not be voting against his friends

and the Government but against sleaze.

He challenged his colleagues: "Do we have what it takes to restore public confidence in the House of Commons? Are we prepared to swallow hard and pay a high price to redeem our reputation?"

Former Tory Cabinet minister Tom King, a member of the Nolan committee, said they had found real difficulties in distinguishing between advice and advocacy, and were concerned that it might unreasonably restrict the perfectly legitimate expression of views on behalf of

constituents or of perfectly reputable outside bodies.

He was also worried at the speed at which the whole Nolan exercise had been conducted. "I worry as to whether these changes have been totally thought through."

However, he said that the ban

is certainly a major step forward. "I don't think I'm the only Member of this House who very much regrets that we are here at all on this occasion."

He warned: "No matter how many rules are written, there will be attempts to evade them by some."

Tighter controls in US merely divert money into new channels

JOHN RENTOUL
Political Correspondent

Tight legal controls on politicians' financial interests in the United States have done nothing to end either the perception that political influence can be bought and sold, or the debate about disclosure.

In the US, direct contributions from individuals of more than \$1,000 to politicians have been

banned since the Seventies. Donations of more than \$200 in a year have to be published. It may surprise many that contributions from companies and trade unions are banned altogether. It surprised the Prudential insurance company, which was fined \$550,000 by the Federal Election Commission last year for fundraising for presidential candidates in the late Eighties.

But the main effect of this

legislation was to channel money through "political action committees", or PACs, which spend money on behalf of candidates while remaining technically independent of them.

The House Speaker Newt Gingrich is supported by a fund called Gopac, which was generously funded by Golden Rule, a health insurance company lobbying against Bill Clinton's healthcare reform plans.

Republican Senator Bob Dole, who hopes to challenge Mr Clinton for the presidency next year, is backed by the Better America Foundation, which was at the centre of a row this summer. "Senator Dole's support for comprehensive telecommunications reform has absolutely nothing to do with contributions to the Better America Foundation," said an aide to Mr Dole, after it was disclosed that

telecommunications companies had donated \$800,000.

In addition, so-called "soft money" flows into US politics through the political parties' federal and state organisations, which are not controlled by law. This has had the unintended consequence of strengthening the Democratic and Republican party machines, which were deliberately weakened by legislation over the previous century in

order to counter earlier corruption scandals.

Mr Clinton was elected President three years ago on a promise to clean up "pork-barrel politics", and he introduced some measures immediately. Journalists were taken aback, for example, to find that all government officials were forbidden to accept hospitality worth more than \$25.

Mr Gingrich and his Repub-

lican allies were then elected to a majority in both Houses of Congress in last year's mid-term elections on another promise to cleanse the system.

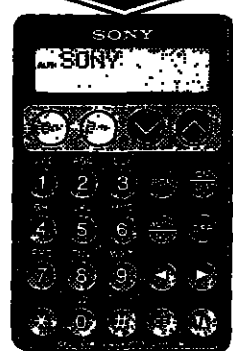
The Republican new right immediately flexed its muscles, bringing Congress members "under the same laws as all other American citizens", ending some of the perks of elected office.

But the debate on the relationship between money and pol-

itics goes on. Tighter controls on PACs are often canvassed, but it would be hard to stop third parties supporting candidates. There is a surprising amount of interest, however, in one aspect of the British system - free party political broadcasts. One of the most criticised aspects of the US system is how wealthy interests, through PACs, can buy television advertising time, the nation's most powerful political tool.

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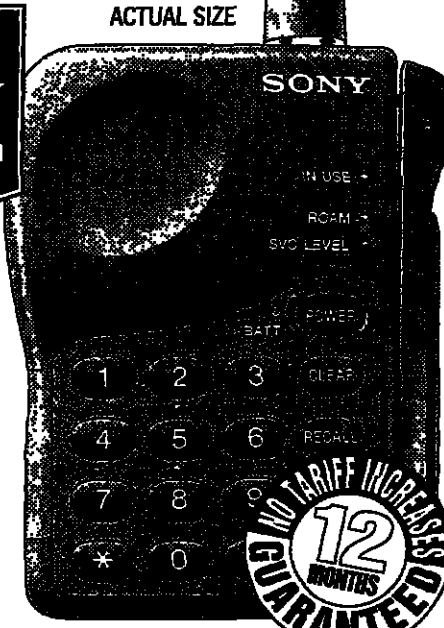


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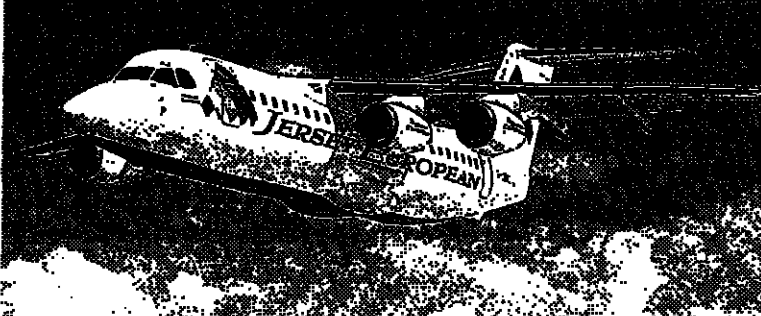
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Extradition battle begins for IRA jail escapers

COLIN BROWN
Chief Political Correspondent

Extradition proceedings were started yesterday in the Republic of Ireland by Britain for two IRA prisoners who broke out of Brixton prison four years ago in one of the most embarrassing breaches of security in a British jail.

Nessan Quinn and Pearse McCauley were yesterday held for an extradition hearing next Monday after being released with two other IRA prisoners by the Irish Government as a conciliatory gesture to revive the stalled peace process.

The two, who are fighting their extradition, have been on the wanted list in Britain since the Brixton break-out, which sparked a full-scale review of security.

They were being held on charges of conspiracy to murder Sir Charles Tibbitts, the former chairman of Whitbread, when they fled. McCauley threatened prison staff with a gun which had been smuggled into the prison in the sole of a training shoe.

Dick Spring, the Irish Foreign Minister, denied the extradition was part of a comprehensive deal with Britain on IRA prisoners. However, he confirmed during a visit to London that the Irish Government had applied to the Home Office for the transfer to Irish prisons of 26 IRA prisoners held in Britain.

Michael Howard, the Home Secretary, is reluctant to allow the transfers without assurances they will not be given early release. The extradition of Quinn and McCauley may be seen as a quid-pro-quo, in spite of the denials of a deal by Dublin and London.

Mr Spring confirmed that the Irish release of IRA prisoners was part of the peace process. He underlined the growing anxiety in Dublin at the failure of the British Government to drop its insistence that the IRA should begin decommissioning

its weapons as a pre-condition to allowing Sinn Féin into inclusive all-party talks.

The Irish Foreign Minister said a way through the impasse could be found if the parties were brought to the table for talks. That marks a clear split with British ministers who are adamant that the Ulster Unionists will not join the talks if the IRA refuse to give up arms.

"People are quite frustrated that talks have not begun and we have not got ourselves into a position to commence those talks," he said. "The opportunity that exists now is the best opportunity - perhaps the only opportunity - we have had realistically in the last 25 years to bring the parties together and it behoves all of us to do all that we can to bring the parties together."

The Irish Prime Minister, John Bruton, was hoping to raise the issue with John Major while in Israel for the state funeral of Yitzhak Rabin.

Gerry Adams, the president of Sinn Féin, yesterday said he would be going to Washington next week. He plans to brief advisers to Bill Clinton on the cause of the impasse before the US President visits Britain and Ireland at the end of the month.

Mr Adams is clearly hoping to persuade Mr Clinton to put more pressure on London to back down. Mr Spring was sceptical that any progress would be made before Mr Clinton's visit. The US president has said he wanted to see the all-party talks underway before his visit, but British ministers have said they will not be tied to a timetable.

Sir Patrick Mayhew, the Secretary of State for Northern Ireland, yesterday sought to show Britain is responding to IRA demands for concessions by supporting a decision of the RUC to remove security installations at sites in Londonderry. "These changes are the latest response by the RUC and Army to the reduced level of threat since the ceasefires," Sir Patrick said.



Exiting the stage: Sian Edwards, music director of the ENO, whose resignation yesterday surprised the opera world

Photograph: Laurie Lewis

ENO music director quits after criticism

DAVID LISTER
Arts Editor

Sian Edwards, the 36-year-old music director of the English National Opera, has resigned in a move that has taken the opera world by surprise.

Her decision comes after a sustained period of criticism and sniping at the ENO from music critics.

Ms Edwards was appointed to her post by the chairman of ENO, Lord Harewood, in 1993.

The appointment was endorsed by the then new general director of ENO, Dennis Marks. The two of them replaced the highly successful triumvirate of Peter Jonas, Mark Elder and David Pountney. But, despite their latest production - Jonathan Miller's *Carmen* - selling out, their record overall has been patchy.

Ms Edwards decision to leave the highest profile post that a female conductor has attained in Britain could not come at a

worse time for the ENO. The company is currently considering whether to put in a bid for National Lottery money to redevelop its home at the London Coliseum, and would have preferred not to be showing signs of instability.

Neither Ms Edwards nor Mr Marks were prepared to speak about the resignation yesterday. Both issued bald statements which threw no real light on what lay behind Ms Edwards' unhappiness at the company.

In her statement Ms Edwards paid tribute to the orchestra and music staff, but did not mention Mr Marks.

Observers yesterday were questioning the wisdom of the ENO not renewing Mr Pountney's post of director of productions, which meant that Ms Edwards did not have another creative figure at the same level in the ENO to collude with.

Graeme Kay, editor of *Opera Now* said: "Her appointment was a trendy appointment, a

rather facile appeal to the youth culture. This was not her fault, but it did mean she had to learn how to be a music director of a national company on the job ... The policy decision not to have a director of productions was wrong, and her position simply became untenable."

Norman Lebrecht, author of *The Maestro Men*, about the world's conductors, added: "She is a good conductor, but she only had one real success there and a number of disasters."

Town relives night Lindsay, 13, disappeared

IAN MACKINNON

A small West Yorkshire town was last night preparing to step back in time to relive the events surrounding the disappearance of one of its 13-year-old daughters in a effort to shed light on her murder.

Hebden Bridge's 4,000 inhabitants were asked by police to re-enact the events exactly as they happened on Monday 7 November last year, the night

Lindsay Jo Rimer went missing. Her body was found by workmen five months later in a canal weighed down by a 25lb rock.

People were being urged to go to the same places at the same time, drive the same cars and even to wear the same clothes in the hope that vital clues might re-emerge.

Detectives were shadowing as many as 35 key players who were close to Lindsay as she went to visit the Spar super-

market at 10.20pm. Lindsay's sister, Kate, 21, was to dress in clothes identical to the dead girl's and walk from their home in Cambridge Street to the shop where she was last seen, on a security camera.

Detectives, who have no clues as to what happened to her after she left the shop, believe she may have been given a lift and that the exercise could jog someone's memory.

The operation was the second

part of a plan which saw scores of officers questioning a crowd of about 10,000 who attended the town's Guy Fawkes bonfire on Saturday. Detective Superintendent Tony Whittle, leading the inquiry, thinks Lindsay may have met her killer at the event.

Yesterday Lindsay's mother, Geraldine Rimer, 43, said she hoped the reconstruction might help. "We all want to find out what happened to Lindsay a year ago ... We have gone

through a year without knowing what happened and it is horrific knowing we might have to go through another year."

Det Supt Whittle said the re-enactment was the only choice left after their inquiries had drawn a blank. "From our inquiries we know people forget things which are not relevant to them," he said. "But when reminded of things their memories are often jogged. This might provide a vital clue."

IN BRIEF

£200m film studio boost for UK

The British film industry yesterday received a £200m boost when a Hertfordshire aerodrome, which was the set for the latest James Bond film *GoldenEye*, became Britain's newest film studio.

Leavesden aerodrome, bought by the Malaysian-based Millennium Group Limited, will have the largest backlot - outside filming area - in the world and is expected to create 3,000 new jobs over three years.

The company said work on the former Rolls-Royce aero-engine factory will involve further investment of £150m.

Outrage! support

The former Bishop of Durham, the Rt Rev David Jenkins, returned to public controversy with a claim that Outrage!, the homosexual pressure group, had been right to out 10 bishops as homosexuals last year.

Patients can stay

Dr John Goodall-Copestake, a family doctor in Presteigne, Powys, who planned to remove eight children from his patient list because their parents refused to have them immunised, staged a rapid about-turn after he faced disciplinary action by the General Medical Council (GMC) for breaking rules on discriminating against patients on financial grounds.

Strikes hit flights

Thirty-six BA domestic and European flights from Heathrow were cancelled after a series of lightning walkouts by 140 staff protesting at the employment of language students as part-time staff on lower pay at the weekend.

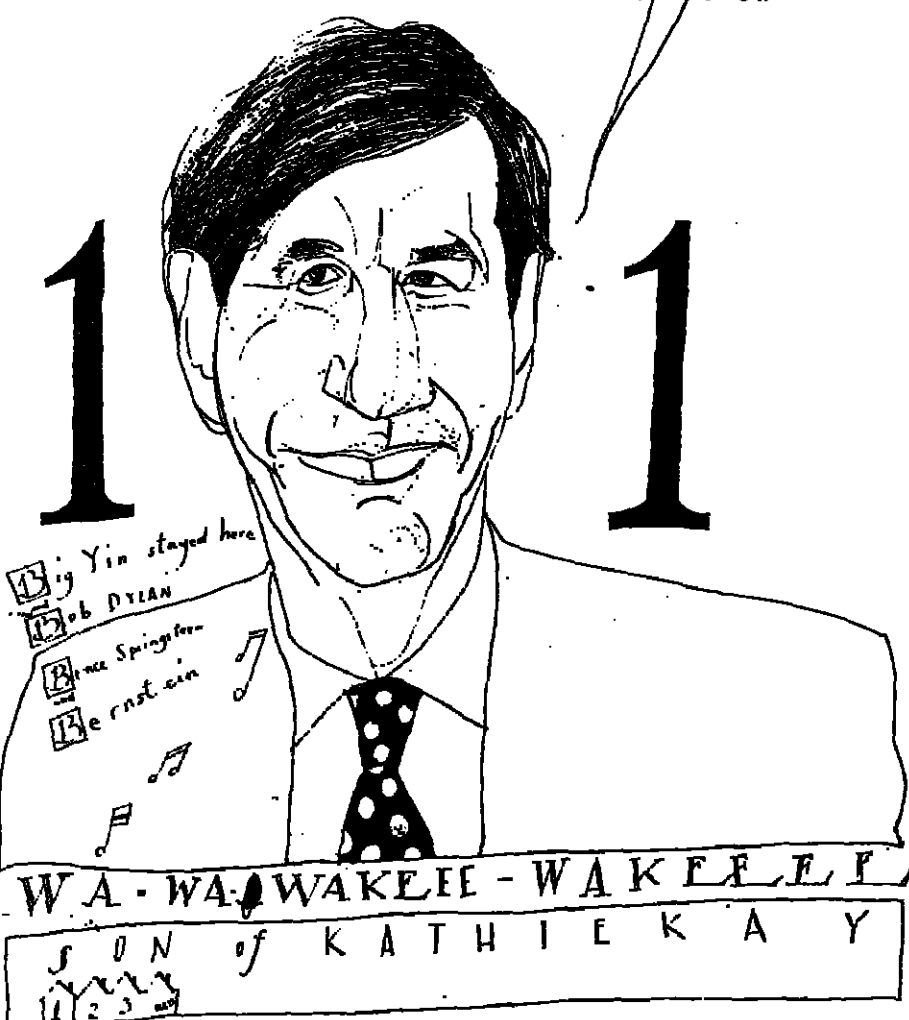
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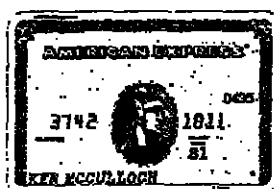
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news

Divorce plans survive right-wing onslaught

PATRICIA WYNN DAVIES
Political Correspondent

Proposals by Lord Mackay, the Lord Chancellor, to overhaul divorce law have emerged unscathed from an onslaught by Tory right-wingers and will be outlined as originally planned in next week's Queen's Speech.

A divorce reform Bill – which would replace the "quickie" fault-based divorce with a single ground of irretrievable breakdown of marriage after a one-year cooling-off period – has already been drafted. It is expected to begin its parliamentary passage in the House of Lords soon after the new session begins.

A Number 10 spokesman said that completion of the public-spending round at the weekend had left the entire

planned government programme unchanged. He emphasised also that the measure had John Major's personal backing. "... the Government is pretty firmly in favour. The Prime Minister also believes there is a case for the Bill, not to make divorce easier – that is not the purpose."

Lord Mackay, however, has cleared only the first of a series of potential hurdles. Critics will ensure the bill has a stormy passage in both Houses, particularly when it transfers to the Commons early next year. Tory right-wingers have protested that the measure would make divorce too "easy" by reducing the current two-year period for a divorce by consent, to one year. And it has been argued that the removal of fault would rob the marriage contract of substance.

Some critics would like to see the bill amended to retain the concept of fault, and perhaps to make couples wait two years instead of one, but a proposed emphasis on mediation to solve disputes over children and finances would be retained.

The one-year period would not begin to run until those seeking the divorce had attended a compulsory interview with a panel of experts to explore the options of mediation, and to receive information about the consequences of the break-up, such as the impact of the Child Support Agency.

Lord Mackay has argued that the "quickie" divorce amounts to divorce on demand, in which the exchange of acrimonious allegations harms children. The one-year period of reflection would, however,

make couples consider more carefully the consequences of their actions. The Lord Chancellor is also expected to emphasise plans for a lengthy pilot period. Roger Gale, the Tory MP for Thanet North who helped mobilise opinion against the now shelved Family Homes and Domestic Violence Bill, suggested yesterday that the Bill could, in fact, make divorce harder. But Lady Olga Maitland, Tory MP for Sutton & Cheam, pledged to fight the Bill as it stands.

The Conservative Party, she said, was supposed to be the party of the family, yet could be seen to be helping the break-up of family life. "I would like to believe that the Lord Chancellor is willing to make amendments," she said. "No-fault divorces are not acceptable."



Religious minority: Rev Bill Raines at the Church of the Holy Innocents, Fallowfield, Manchester Photograph: Newstream

Church weddings going out of style

ANDREW BROWN
Religious Affairs
Correspondent

There are many parishes in England where church weddings hardly ever take place. Inner-city depravity is not the only possible reason.

The Church of Holy Innocents, in Fallowfield, Manchester, had only four weddings last year, but the priest in charge, Rev Bill Raines, says that this is because the large, transient, student population prefer to get married at home.

Other churches, he says, tend to be avoided just because they are ugly; another category sees few marriages because they serve inner-city estates full of single parents.

The Bishop of Liverpool, Right Rev David Sheppard, told the BBC Radio 4 *Today* programme that he had an inner-city parish in his diocese where only one couple was married last year.

He declined to identify it, but his press officer, Rev Paul Dawson, said that in his own previ-

ous parish, in Warrington, there had been just two weddings a year, because it served a new housing development to which people moved only after they had children. This was a prosperous parish, though. "You're looking at two BMWs up the drive," he said.

For the last 10 years, about one-third of all marriages in England have been conducted in Anglican churches and about half are conducted in register offices.

As the total number of marriages has declined, from 323,000 in 1982 to 295,000 in 1992 – the last year for which Church of England figures are available – so has the number of Church of England weddings fallen, from about 110,000 to about 97,000.

However, there are clearly other distorting factors.

Pretty country churches will perhaps have more weddings than regular churchgoers, and fashionable London churches, where a marriage makes a social statement, are also oversubscribed.

Algerians lured by freedom of expression

The number of Algerians in Britain is believed to have doubled in the last decade to more than 10,000.

The community, which is concentrated in London, began to develop in the 1960s and early 1970s when middle-class Algerians, encouraged by their government, came to Britain to study. Many returned to become top politicians, academics and businessmen but some, impressed by the freedoms and opportunities in Britain, stayed on or returned later with families to settle.

But the growth of the community has been most marked since 1992, when the Algerian army halted the democratic advance of the Islamic Salvation Front. While those persecuted either by the military-backed government or Islamic fundamentalists fled to Britain, those studying here have tried, both legally and illegally, to stay and avoid military service.

Yesterday Saad Djebbar, a leading Algerian lawyer, who has lived in Britain for two decades, insisted that the vast majority of Algerians in Britain were opposed to violence – and very few were even politically active.

The French government last week claimed that London had become a haven for exiles plotting the assassination of intellectuals, politicians and journalists in Algeria. Some commentators admit Islamic terrorists may be hiding behind apparently bona fide welfare groups in Britain. But Mr Djebbar warned that the British Government should beware of French accusations about Algerians living in Britain, some of whom he claims have been previously been unjustly treated by the French.

"Algerians who moved to Britain were impressed by the fact that your police don't wear guns and privacy is respected. The overwhelming majority of people have fled violence and don't want to see it repeated here or anywhere else." He dismissed as a minority the Algerian exiles who print and dis-

Mary Braid examines French allegations that political refugees are really terrorists

tributed *Al Ansar*, an underground pamphlet produced secretly in London, calling for a holy war, and thought to have links with the militant Armed Islamic Group (GIA), which has claimed responsibility for most of the French attacks.

Even rough estimates of the number of Algerian asylum seekers in the UK are hard to come by. But Home Office figures show that the numbers of Algerians entering Britain rose steadily from 14,600 in 1991 to 18,900 in 1994.

According to one commentator, Britain had become one of the main international havens for Algerian political refugees, not because it offered a handy base for terrorism against France, but because it already had an Islamic solidarity network in place and guaranteed freedom of political association.

Djaffar El Houari, a former leader of the National Salvation Front, has been in Britain for five months seeking asylum. Yesterday he said there were few members of the Front in Britain, but there was significant support. He claimed his organisation had no connection with the GIA and condemned the bombings in France but maintained the basic human right to pursue their political aims peacefully.

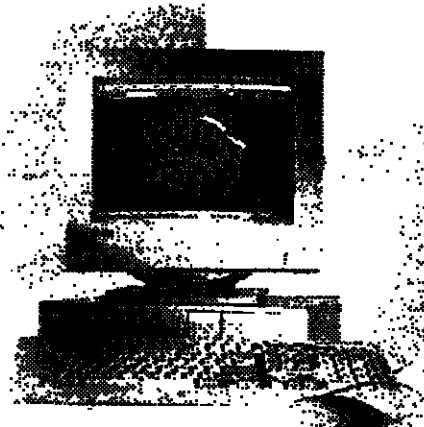
Police were yesterday given an extra 48 hours to continue questioning an Algerian extremist who is suspected of being the mastermind behind recent terrorist bombings in France. Abdelkader Benouis, alias Abou Fares, had been under surveillance by Special Branch and MI5 for some time. The French authorities are preparing to ask for the extradition of Mr Benouis, who is understood to have had an asylum application rejected already and is appealing.

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Sony and Sega lock consoles for bit of virtual combat

Games war: Rivals target lucrative Christmas sales

JOJO MOVES

The battle for the hearts, minds and power supplies of the lucrative Christmas computer games market began in earnest yesterday, as Sony announced its PlayStation was the fastest-selling video games system ever.

The Japanese consumer electronics company said that 50,000 units of the new generation 32-bit system had been sold since its launch five weeks ago. It said that in some UK stores the system, promoted as "Sony's most important product since the Walkman", sold out within days.

Sega, which has dominated the UK market, is said to have sold 50,000 of its rival 32-bit Saturn games system since its launch this summer, although it is not disclosing sales.

Sega has just reduced the price of Saturn by £100 to £299, although Noel Dardis, marketing director of Sega UK, denied that this was to match PlayStation's £299 price tag.

"That's what Sony would

have you believe," he said yesterday. "The reality is that after the initial batch was manufactured the success of Saturn means that we've been able to make economies of scale."

The two CD-based games systems are said to be 500 times (Sony) or 900 times (Sega) more powerful than the 16-bit systems of most existing games systems, with a "quantum leap" in speed and graphics quality.

Nintendo, Sega's traditional rival, is considered to have temporarily "dropped out of the equation". It has yet to launch its rival, Ultra-64, developed in conjunction with Silicon Graphics, the US computer animation company.

The new launches come after research published in August by Durlacher Multimedia, the stockbrokers, suggested that British sales of video games would collapse this year to less than one-third of 1993 levels.

The hefty price of the systems, which require games at about £50 each, might not be

conducive to widespread sales.

But Mr Dardis said the more "sophisticated" 16 to 30-year-old market targeted by the two companies were likely to be prepared to pay for it. And despite this, or perhaps because of it, Sony and Sega have embarked on extensive promotions drives.

Sony, with an unprecedented advertising budget of £20m, has launched a cross-media blitz, complete with gimmicks, demonstrations and sports sponsorship likely to ensure maximum impact across all ages.

The company has installed PlayStation at the Ministry of Sound, the high-profile London nightclub - a move which Sony says accords the games system a specific "credibility" - and at Blackpool Pleasure Beach and Manchester's G-Mex Centre.

Sega, which is spending a relatively modest £5m, has instead chosen stunts such as projecting huge images of John Major and John Redwood as Virtual Fighters on to the Houses of Parliament.



Game on: Sony's PlayStation game system is said to have sold 50,000 units in five weeks, challenging Sega's Saturn. Photograph: Edward Webb

Boy of 14 is jailed for rape

A 14-year-old boy who raped a girl of 12 and indecently assaulted her friend as they returned from a picnic in a country park was yesterday sentenced to seven years' detention.

Manchester Crown Court was told that the boy - who cannot be named for legal reasons - wore a balaclava mask and brandished a knife when he waylaid the two girls in the Waterworks Country Park at Oldham, Greater Manchester.

The boy had pleaded guilty to rape and indecent assault on 31 May this year. He admitted kidnapping both girls on the same date: kidnapping two other girls last March and indecently assaulting them; and indecently assaulting a girl, 11, the day before the rape.

The court heard how the two double attacks involved the boy wearing a balaclava and brandishing a knife. Both were shown in court.

Michael Shorrocks QC, for the prosecution, told the court all the incidents took place in the same area. In the most serious, two 12-year-old girls were on their school holidays.

"They decided to go for a picnic. They set off shortly after midday on their bicycles," Mr Shorrocks said. "When they finished their picnic, they played for a bit then started to make their way back pushing their bikes."

"As they approached the road, they were confronted by the defendant. They didn't know who

he was. He was wearing a black balaclava pulled over his face. He produced a knife and threatened the girls. He made them go up a path to a secluded spot."

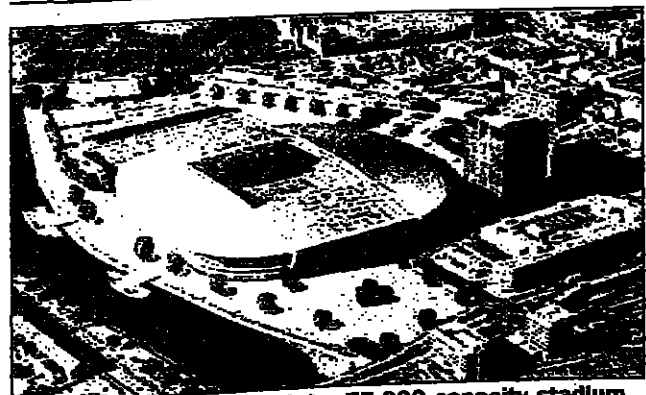
Mr Shorrocks said the boy forced both girls to undress, made them lie on the ground and tied them by the wrists to a tree with their shoe laces. The girls later told police that they were blindfolded, gagged and hit.

"The girls managed to free themselves. They were seen, both naked and very distressed, by two passers-by," Mr Shorrocks said. The attack on 19 March involved two girls, 12 and 11, who were playing in a disused quarry. They saw a boy coming towards them and ran towards a main road.

"Before they could get there the boy caught up with them. By this time he had a balaclava covering his face," Mr Shorrocks said. He produced a knife and forced the girls to go with him to a secluded spot where he indecently assaulted them. When one girl started screaming the boy threatened her with his knife and said: "Do you want to die?"

The attack ended when a horse rider appeared.

The indecent assault on 30 May took place when the boy approached children playing in an air-raid shelter and indecently assaulted a girl, 11. Her mother contacted the police when she heard of the double attack the following day.



An artist's impression of the 75,000-capacity stadium

Poll backs £104m Welsh stadium

The building of a Welsh national stadium with £49m of lottery money enjoys massive public support in the principality, it was claimed yesterday.

The new 75,000-capacity covered venue would cost £104m overall and play host to the Rugby Union World Cup finals, which will be held in 1999.

National Lottery money would be channelled through the Millennium Commission as part of celebrations to mark 2000. The rest would be raised privately.

According to a survey commissioned by the bid's organisers, the Welsh Rugby Union, seven out of 10 Welsh people support the scheme in preference to a rival bid to develop the Cardiff Bay Opera House.

The new hi-tech arena, built on the site of Cardiff Arms Park, would be a so-called "third generation" stadium which could also host other entertainments. Bid organisers who commissioned the MORI poll unveiled

their revised plan yesterday. A previous bid had failed to incorporate enough of the existing structure and plans to develop the nearby Cardiff Athletic venue had been shelved, the project's designer said.

Russell Goodway, leader of South Glamorgan and Cardiff County Council, which backed the bid, hailed the project as the people's choice which had now met the requirements of the commission.

He said: "Our next step is to take the people's choice back to the commission next week with the revised bid highlighting its huge economic, cultural and social regeneration opportunities for Cardiff and Wales."

While the Department of National Heritage has not ruled out accepting both schemes under the Millennium scheme, it is thought highly unlikely that both will be successful.

The stadium bid is due to be presented to the commission on 15 November.



THE OLD SMITHY AT BATCHWORTH

MANY THINGS HAVE GONE FOR A BURTON THESE DAYS - BUT THANKFULLY NOT IN BURTON. MARSTON'S PEDIGREE REMAINS THE GOLDEN PINT IT WAS IN GOOD OLD JOHN MARSTON'S DAY, BECAUSE IT'S THE ONLY BEER STILL BREWED IN WOODEN CASKS. THANK HEAVENS SOME THINGS ARE WHAT THEY USED TO BE



news

Farmer who kicked up a stink must pay the price

A farmer protested about alleged mismanagement of his bank account by driving a muck-spreader into a city centre and spraying a NatWest branch with four tonnes of foul-smelling cow manure, a court was told yesterday.

David Cannon, 66, blasted the slurry over the branch, in Newcastle upon Tyne, in a gesture which led to a two-week clean-up by stonemasons.

Cannon had a five-year battle with the bank, which he claimed had mismanaged his accounts, costing him more than £100,000 and forcing him to sell his prize-winning herd of Ayrshire cows at his farm, near Ponteland, Northumberland.

After he started spraying the building, in Moseley Street, Newcastle, passers-by had to dive for cover.

Bank manager Alan Bell told Newcastle magistrates: "There was a large deposit of manure sprayed up the walls to considerable height and lying in a heap outside the door."

"We had to have scaffolding



David Cannon: His frustration with NatWest boiled over

erected and the stonework professionally cleaned because the matter had leaked into the sandstone. The effluent was too deep to walk into the bank unless you had waders on."

Cannon was convicted of criminal damage but was given a conditional discharge by magistrates, who ordered him to pay £2,000 compensation, although NatWest had claimed £4,500.

The farmer earlier told the court he did not know the bank

branch was a listed building.

He added: "Nobody knows the frustration we've had because of the bank. There's plenty of people who would have ended up in the nuthouse or been driven to suicide."

Three years ago, Cannon was ordered to pay £1,138 compensation to Castle Morpeth Council, Northumberland, for spraying their offices with slurry after being refused planning permission to build a bungalow.

Cannon, who is suing NatWest through the civil courts, alleging negligence over the handling of his affairs, said after yesterday's hearing: "I have no regrets about what I did. After all, they dropped me in the shit."

"I would do the same every morning if I could keep myself out of jail. It doesn't take any bottle to drive a tractor into town and start the muck-spreader. I was driven to it by sheer frustration. It was a case of the little man being hammered by a big institution and I couldn't take any more."



Dirty protest: David Cannon distributing the contents of his muck-spreader at the bank in Newcastle upon Tyne

Photograph: Mark Runnacles

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Department of Trade and Industry

Top firms to grant EU's 12 weeks of child leave

BARRIE CLEMENT
Labour Editor

Some of the country's biggest employers are expected to offer three months' parental leave under a European deal agreed last night.

Many of the UK companies with plants on the continent are likely to grant their British workers the time-off which can be taken by both parents at any time during a child's early development. It will come on top of maternity leave, may be taken in instalments and will apply equally to full and part-timers.

There will also be a right to leave to care for sick relatives, although the maximum time allowed will be decided country-by-country.

The agreement was signed yesterday by continental employers and union leaders – the so-called "social partners" – and under the Maastricht treaty will eventually become law.

Because of Britain's "opt out" from the accord, UK companies do not have to apply the deal but on recent evidence many are expected to do so.

Despite the Government's refusal to sign the treaty's social chapter, ministers have found that an increasing number of British companies are falling into line with its provisions.

Eight big companies have already included their British workers on European works councils which act as a channel for union representation and company information. Another nine are in the pipeline. Among the top companies already adopting the policy are

United Biscuits, Pilkington, Courtaulds and NatWest.

Union representatives on the councils will insist British staff are included in the leave entitlements and senior managers will be under pressure to accede.

Senior officials of the TUC were at yesterday's meeting together with representatives of UNICE and CEEP, respectively private and public sector employers' organisations. Delegates from the CBI were present as observers. British employers' leaders back the Government's opt out.

No agreement could be struck yesterday on who should pay for the new entitlements, employers or each state's social security system.

The decision on parental leave – the first among the social partners under the treaty – will now be passed to the Council of Ministers which is scheduled to agree the details of the policy before the end of the year. Britain will not be represented because of the opt out.

A CBI spokeswoman said the organisation was more of a "non-voting participant" at yesterday's talks but it still opposed the Maastricht provisions.

A spokesman for the TUC said it would be the first time British workers would be given rights to family leave other than for maternity.

He estimated that at least three million employees worked for British firms which will introduce parental leave in their continental operations. "British unions will be pressing for workers in this country to have the same rights."

DAILY POEM

Hymn to a Broken Marriage

By Paul Durcan

Dear Nessa – Now that our marriage is over
I would like you to know that, if I could put back the clock
Fifteen years to the cold March day of our wedding,
I would wed you again and, if that marriage also broke,
I would wed you yet again and, if it a third time broke,
Wed you again, and again, and again, and again:
If you would have me which, of course, you would not.
For, even you – in spite of your patience and your innocence
(Strange characteristics in an age such as our own) –
Even you require to shake off the addiction of romantic love
And seek, instead, the herbal remedy of a sane affection
In which are mixed in profuse and fair proportion
Loverliness, brotherliness, fatherliness.
A sane man could not espouse a more faithful friend than you.

Paul Durcan was born in Dublin in 1944 and studied archaeology and medieval history at University College, Cork. His first collection, *O Westport in the Light of Asia Minor* appeared in 1975. Since then 13 collections have followed, including *The Berlin Wall Cafe*, from which this poem is taken, and which has recently been reissued by Harvill. It includes the impressive and brave series of poems about the breakup of his marriage that forged his reputation in 1985.

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Women sue top hospital over Down's test blunder

GLENDIA COOPER

Two women are suing a pioneering hospital after a mix-up in which a pregnant patient had her healthy baby aborted, having been told wrongly that it had Down's Syndrome.

Her test results were mixed up with those of 28-year-old Michelle Woods, who was told she was carrying a healthy boy, when in fact her baby was a Down's Syndrome girl. Ms Woods also had an abortion.

The mistake happened at the world-famous Addenbrooke's Hospital in Cambridge, which has featured in BBC TV's *Hospital Watch* and is known as a pioneering transplant hospital.

Addenbrooke's has accepted it was a case of human error. A letter of apology has been sent to both women and extra checks have been introduced to prevent such mistakes happening again.

Chris Coe, Head of Communications at Addenbrooke's, said yesterday that he believed both women were taking legal action. It is likely the matter will be settled out of court.

The mix-up occurred in a laboratory, when two test samples were wrongly labelled - a simple error, but one with serious consequences for the two families. The mistake was discovered on 4 September.

Both women were patients at West Suffolk Hospital, whose samples were sent in Addenbrooke's regional genetics laboratory to be tested for Down's Syndrome. The woman who lost the healthy baby has not been identified.

A statement from Addenbrooke's said: "An error in labelling samples led to one of these patients being incorrectly informed that her baby had

Down's Syndrome, and she subsequently terminated her pregnancy."

Routine tests on the aborted foetus of the healthy baby confirmed that it did not have Down's Syndrome.

The statement added that the other patient, Ms Woods, was wrongly informed that her baby was healthy, but was told of the mistake by her consultant while still in the early days of pregnancy, and was therefore still able to make choices about her unborn baby's future.

"A subsequent internal inquiry revealed that the two patients' samples had interchanged labels, and human error was found to be the cause of this mistake," said the statement.

Ms Woods, from Thetford, Norfolk, told the *Today* newspaper: "I feel sorry for the other lady because she suffered much more. If she hadn't had the termination she would have had a perfect baby."

Two inquiries were held into the tragedy in September. One was an internal investigation and the other an external one by a doctor in charge of a similar laboratory elsewhere.

Because of the number of people working in the laboratory and the large number of samples they dealt with it was impossible to say who was individually responsible for the mistake. Procedures have since been tightened up and extra checks introduced.

Professor Martin Bobrow, Clinical Director of Medical Genetics at Addenbrooke's, said: "We have offered an unqualified apology to these two families. My staff are devastated that such a mistake, which has never happened here before, could have occurred."



Star turn: Yelana Pankova of the Kirov Ballet rehearses her role of Odette in *Swan Lake* for aspiring dancers in Battersea Park, south-west London, yesterday. Photograph: Geraint Lewis

Setback for Carey over 'unsackable' priests

ANDREW BROWN
Religious Affairs Correspondent

The ambition of the Archbishop of Canterbury, Dr George Carey, to reshape the Church of England into a modern organisation has been dealt a blow by the decision of a working party to retain the "freehold" system which makes most priests unsackable without criminal

proceedings. The Church's General synod, meeting for the first time since elections replaced about half of its membership, will hear at the end of November that the working party on clergy conditions of service which has been studying the freehold has recommended that it be preserved.

The working party, whose members included Dr David

Hope, then bishop of London, and now Archbishop-elect of York, concluded that "The majority opinion in the church seems to be that improving clergy conditions of service in ways which would strengthen the confidence and sense of security of the clergy... is essential before further consideration could be given to abolishing or amending the ecclesiastical

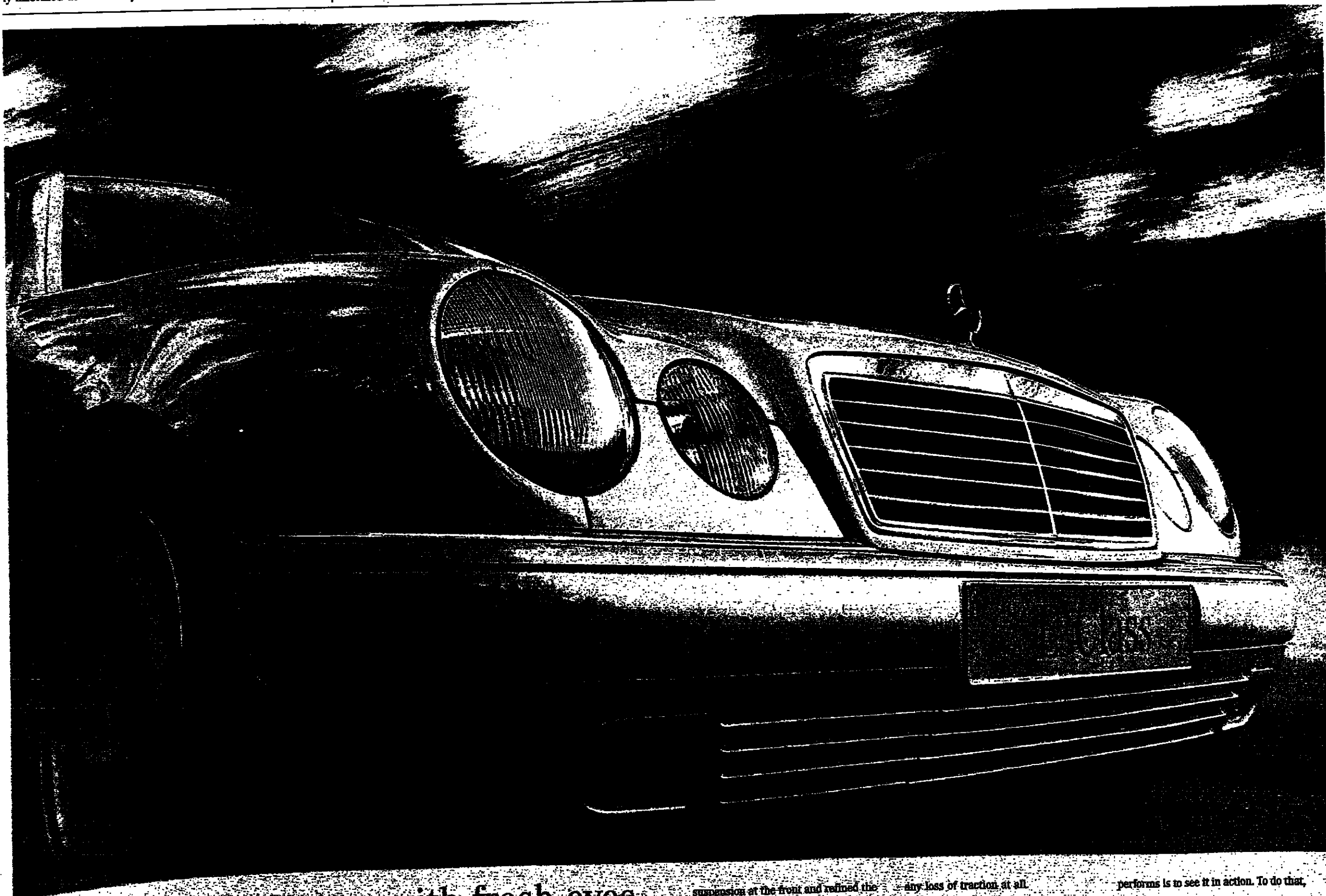
freehold." This conclusion represents a widespread distrust of bishops among the clergy, and dissatisfaction with the present state of disciplinary procedures in the Church. The "freehold" is felt to be a defence against the overweening power of bishops", the synod's Secretary General, Phillip Mawer, said.

The new synod will spend an afternoon debating the second

part of Dr Carey's plan for church reform: the report of the Turbull Commission, which recommended creating a central body to manage planning and strategy for the Church. This proposal for a "National Council" which would take over the functions of the General Synod's more important committees, has been attacked as handing too much power to the arch-

bishops, who will appoint more than half of its membership.

The synod will debate the report on family life, *Something to Celebrate*, attacked for being insufficiently robust in its defence of Christian marriage. This criticism has been partly defused by republishing a report on marriage from the 1959 Lambeth Council, which urges Christian families to pray together.



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news

Police deal: Tapes reveal agreement aimed at trying to trap Warrington gasworks bomber when 'known' for criminal activities

IRA convict's wife recruited as informer

STEVE BOGGAN

The wife of one of the Warrington gasworks bombers was recruited by police 15 years ago to spy on her husband as part of efforts to get him behind bars.

Tape recordings received by the *Independent* show that Audrey Kinsella passed on information about her husband, John, as part of a deal struck with police after she was arrested for setting fire to a former boyfriend's home.

Mrs Kinsella, 46, says she gave information on her husband to get a charge of arson reduced to criminal damage. However, she warned him and provided false intelligence.

The officer who ran her as an informant under the code name "Sullivan" was former Detective Sergeant Joe McAleese. He has confirmed there was a deal, struck after Mrs Kinsella offered to inform for cash.

At the time, Kinsella, 51, was suspected of handling the proceeds of one of Nottingham's largest jewellery thefts. He is serving 16 years for storing a bag full of explosives for the IRA cell that blew up the Warrington gasworks in 1993, but he has always claimed he did not know what was in the bag.

Mr McAleese said last week an arson charge against Mrs Kinsella was never likely because damage to the former boyfriend's home was so slight. However, he said her impression that arson was being considered would have improved the bargaining position of detectives. "The offer to inform on John Kinsella was her idea, not ours," he said. "At the time, she wanted to leave him and, in order to do that, she needed money. I said okay, help us and you'll get money. My actions were cleared at every stage by my senior officers."

On the tape, Mrs Kinsella offers to "pinch" her husband's diary, and adds: "But under one thing - that I know for definite that the charge will be dropped." Mr McAleese responds: "You do that and I'll bring you right to the gaffer. How's that? Saturday, I'll bring you to the man, the boss man."

The matter of a charge being dropped is mentioned in two telephone conversations with

Mr McAleese secretly recorded by the Kinsellas. Mrs Kinsella was never paid. She was subsequently charged with criminal damage and fined £95.

The operation, which lasted several months, resulted in no valuable information being passed to the police. Mrs Kinsella said she told her husband of the deal as soon as she was released by police.

Although the existence of the operation shows a determination on the part of the police to imprison Kinsella in the early 1980s, it is unlikely to help him in his campaign to be freed.

A former detective inspector told the *Independent* that the force may have been over zealous at times in trying to put him away at the time but only because his criminality warranted it. Kinsella was well-known to the police but had a knack of avoiding convictions, according to his wife.

In 1980, he received compensation after being held overnight on suspicion of a robbery he did not commit - his alibi was a police officer with whom he was drinking.

Kinsella continued to attract police attention on a regular basis throughout the 1980s without ever being charged. In 1992 he pleaded guilty to being in possession of a CS gas canister during a pub brawl. He said he had been delivering it to a blind neighbour for protection.

According to Mr McAleese, an order went out in 1980 telling officers to back off Kinsella. However, there has never been any suggestion that heavy-handed efforts to lock him up extended to the Warrington gasworks operation. He was arrested because his nephew, Denis Kinsella, was caught at the scene and linked him to the crime.

He has also never argued that he did not hide the bag, containing Semtex, guns and ammunition. The main plank of his argument is that, because he was told the items were stolen goods which were sealed in bin liners, he did not know he was hiding explosives.

Supporters point to the fact he buried the bag underneath a regular bonfire site in an allotment as proof he must have been ignorant of its contents.



Spy ring: former detective Sergeant Joe McAleese, left, Audrey and John Kinsella, top, and the aftermath of the Warrington gasworks blast, above

Insight into shady world of a detective's grass

Tape recorded conversations between Audrey Kinsella and former Detective Sergeant Joe McAleese provide a fascinating insight into how officers gathered information against him.

One conversation runs: Audrey Kinsella: "I am phoning you up to tell you I could get [John's] diary. I could pinch it from his top pocket because he puts it in there for two to three days at a time. I don't think he would know if I pinched it. I could bring it down Friday or Saturday."

Joe McAleese: "Excellent, smashing."

AK: "But, under one thing. That I know for definite that the charge will be dropped."

JM: "You do that and I'll bring you right to the gaffer, how's that? Saturday ... I'll take you to the man, the boss man." Later, after the diary has been smuggled to Mr McAleese, he calls Mrs Kinsella to arrange for its return.

JM: "Any time you want to collect, [the diary] is in an envelope."

AK: "I can't get down because of the kids."

JM: "Oh, shit. I'm up in Mansfield ..."

AK: "Oh, God."

Mr McAleese subsequently arranged for other officers hand over the diary at a pub, but she wanted assurances about her charge.

AK: "What about my charge now that you've had that?"

JM: "I'll see my gaffer. Don't worry about that ... The gaffer said that to me anyway, I know he said that if you start coming across, everything would be okay. My boss doesn't lie ... That's for sure."

Tributes pour in for 'a good friend'

The worlds of showbusiness and politics yesterday paid glowing tribute to the *Yes, Prime Minister* star Paul Eddington, who has died after a brave battle against skin cancer.

Baroness Thatcher, who as Prime Minister enjoyed the show so much that she made him a CBE in 1987, said: "Paul Eddington was an essential part of that magnificent team of actors who brought Anthony Jay and Jonathan Lynn's superb scripts to life, and who made *Yes Minister* and *Yes Prime Minister* such an enormous success."

Eddington, 68, died at his London home on Saturday night, surrounded by his wife Patricia and their four children, from a rare form of skin cancer which had disfigured his face with dark blotches.

His co-star Nigel Hawthorne, who played scheming civil servant Sir Humphrey to Eddington's bumbling politician Jim Hacker, paid a moving tribute to "my good friend Paul".

He said: "Firstly, he was the bravest man I ever met; he never seemed to complain about his poor health, and he had been ill for many years, but always bore it with dignity and humour."

"In the *Yes Prime Minister* series in which we were involved for 10 years, Derek Fowlds, he and I never had an angry word. There was always a wonderful spirit of harmony and good

nature when we were working."

Yes Minister co-star Derek Fowlds told BBC *Radio 5 Live*: "He was a great actor and he has shown such strength and courage over the last 10 years ... He was greatly loved."

Penelope Keith and Richard Briers, who starred with him in the television comedy *The Good Life*, remembered him as a brave man and a fine actor.

Miss Keith, who played his screen wife Margo, told *Radio 5 Live*: "It is a very sad day for many people who enjoyed his work so much on the television, but especially for lots of us who were very close friends."

"I first met Paul when we started *The Good Life* 20 years ago ... we laughed so much. When I think of Paul I shall remember his chuckle." Close friend Briers said: "I don't think I've known a more smashing bloke in all my years in showbusiness. He always dealt with his problems with humour and tenacity."

Fellow Garrick Club member Derek Nimmo also paid tribute to Eddington's sense of humour, saying the club was always "particularly convivial" when he was there.

Eddington had suffered from skin cancer for 40 years, calling it "a thorough nuisance", but was always a hard-working actor even though national fame in *The Good Life* came late - he was 47 when it began. It went

on to become one of the biggest comedy successes of its generation, only to be succeeded by *Yes Minister* which was sold to more than 50 countries.

Eddington's last West End stage appearance was last year with Richard Briers in *Home*, about two bewildered old men in a mental institution, which won rave reviews at Wyndham's Theatre. Just two weeks ago he launched his autobiography *So Far So Good*, when he said he hoped his epitaph would be "he didn't harm anyone and that is a difficult thing to do."

He also said: "There's a stigma attached to one's appearance. People are reluctant to shake hands with you if they see you festering, and you can understand it." But he carried on working and only recently played Justice Shallow in a BBC production of *Henry IV*.

Sydney Lotterby, producer of *Yes Minister* and *Yes Prime Minister*, said: "Paul was a dedicated man to his profession and beliefs, was a sensitive, self-effacing actor whose unselfish attitude to his fellows reflected his personal and professional life. He was a joy to work with and will be sadly missed."

Eddington's family said they wished to "thank everyone for their many messages of support" and announced that there will be a private family funeral at a date to be arranged.



Much missed: Paul Eddington, who died on Saturday

Police quit over failure to spot body

Two police officers who failed to spot a woman's body in her crashed car were yesterday ordered to resign.

Constables Robert McGee and Shaun Timmins put a "Police Aware" sticker on Sally Ann London's car 12 hours after it crashed at Ridgmont, Bedfordshire, on 16 May, but did not see her inside. She had died instantly as the car careened into a field and overturned.

It was another 36 hours before the body of the 40-year-old was found by the driver of a mechanical road sweeper, who spotted an arm hanging out of the car. Police had asked Mrs London's husband, Les, to go and move the vehicle.

A spokesman for Bedfordshire police said yesterday: "Two Bedfordshire police officers, constables Robert McGee and Shaun Timmins, were required to resign forthwith after appearing before the Chief Constable Alan Dyer in a disciplinary hearing."

"The two officers were charged under the disciplinary code with neglect of duty. They had been suspended on full pay since the incident."

The police spokesman also apologised to the London family for the length of the investigation into the incident.

Double glazing complaints soar

GLENDA COOPER

Complaints by the public about double glazing and installation have rocketed by nearly 50 per cent over the last five years and home improvement now accounts for a fifth of all consumer complaints, the Institute of Trading Standards Administration (ITSA) reveals today.

At the beginning of National Consumer Week, ITSA is focusing on improvements and safety in the home.

Complaints about double glazing and installation have gone up by 46 per cent in the last five years, upholstered furniture by 40 per cent, electrical goods up by 28 per cent and home maintenance, repairs and improvements by 25 per cent.

Total complaints for the home improvement sector came to more than a quarter of a million in the year to September 1994, although an OFT spokesman warned such figures were the "tip of the iceberg".

In 1994 there were 45,379 complaints about home improvements; 25,443 complaints about double glazing; 59,379 about electrical goods, such as radios and TVs, and 27,972 related to upholstered furniture.

Complaints have risen so steeply partly because of the sta-

tic housing market, which means people have tended to improve their existing houses, rather than trying to sell. Cowboy contractors are said to trade on fear, with many elderly householders unable to argue that "urgent" repairs are actually unnecessary.

Tony Northcott, chairman of ITSA, said there had been cases of people calling out plumbers and being charged huge call-out fees of more than £100, and in one case nearly £1,000, for what were very simple, inexpensive jobs.

He also warned against hiring people who turned up on the doorstep: "It's up to you to pick someone to do a job, not someone picking you," he said.

"Individual consumers are at a great disadvantage in engaging builders and tradesmen for improving their homes. Unlike commercial organisations who can withhold perhaps 10 per cent of a contract price until work has been completed satisfactorily, consumers often have to pay up first and argue afterwards."

He said existing laws, such as the Trades Description Act and the Consumer Protection Act, did not necessarily need changing but more resources were needed to deal with complaints.

ADVERTISEMENT



The new Almera: Nissan's newly launched family hatchback

5,594 NEW ALMERAS 'LOST' AT SEA

NISSAN CARGO SHIP HIJACKED IN BAY OF BISCAY

The dramatic off shore hijack of more than £50 million worth of new Nissan Almeras was executed with 'Bond' style precision, a police spokesman revealed last night.

Nissan's 15,596 tonne cargo ship, *The City of Sunderland*, disappeared from radar screens in the Bay of Biscay late last Tuesday night. Police are yet to confirm mysterious reports that a local fishing boat spotted another much larger ship in the area that

failed to appear on radar. But 'The idea that one ship could swallow another is not beyond the bounds of credibility' a spokesman said.

The new Nissan Almera was launched to great acclaim on October 19th and made a very favourable impression with critics at this year's Motor Show held at London's Earls Court. Nissan are confident that the hijacked Almeras will not affect availability in the UK even though their showrooms have already

reported record numbers of requests for test drives in the last two weeks.

A spokesman for Nissan told reporters 'When we launched the Almera we knew it would be a popular car, but this wasn't quite what we had in mind'.

The new Almera boasts levels of comfort and technology not normally associated with a family hatchback. All models feature Nissan's highly innovative Multilink Beam

Suspension which was developed for Nissan's top of the range executive car, the QX. Police have dismissed the theory that the heist may have been the work of a rival manufacturer as 'pure speculation', although they admit that whoever was behind the heist must have had huge financial resources.

Any member of the public wishing for further information on the new Almera should call 0345 66 99 66.

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Irish ministry buys 'mystery deaths' farm

ALAN MURDOCH
Dublin

The Irish Republic's government has taken the unusual step of buying one of the Co Limerick farms at the centre of an investigation of unexplained cattle deaths and human illness.

A reported price of more than £250,000 is to be paid for the 85-acre Askeaton farm owned by Justin and Suzanne Ryan on the River Shannon.

A neighbouring farm owned by Liam Somers is to be leased by the Irish authorities, who will now begin studies assisted by overseas experts into possible causes of 94 cattle deaths since 1988 on the Ryan farm and 49 on the Somers' holding.

Local vets linked the cattle deaths with immune-system failures, amid fears of toxic emissions from local industry which includes a major alumina plant, a large coal-fired power station and pharmaceutical operations. The main industrial plants deny emitting waste

sufficiently toxic to kill cattle.

The possibility that industrial emissions may be responsible was highlighted by a striking parallel between the Limerick cases and others studied by Dr Fiona Williams and Dundee scientists, reported in the *British Journal of Industrial Medicine*. Dr Williams cited a "dramatic increase" in twin births among dairy cattle following the opening of chemical waste incinerators releasing polychlorinated hydrocarbons. Some of these have oestrogenic properties, imitating the effects of fertility drugs. Several Limerick farms have reported sharp rises in cattle twin births alongside birth defects, such as no eyes.

Experts in European animal health policy say that for the state to purchase a farm is extremely rare, and suggests serious concern at the impact the incidents could have on Irish exports. Ireland's huge agribusiness sector strongly emphasises the country's unspoilt environment in promoting food products.

Mr Ryan told the *Independent* last weekend he was sad to be leaving land farmed by his family for 200 years, but was relieved the negotiations were over. "We had no choice," he said. "What this [sale] does is give us the means to get a new place and continue farming as before."

But he said he was concerned at official indications that an interim report on the cattle deaths would not include existing test results on local chlorine levels. He feared findings that might embarrass local industry could be covered up.

Agriculture minister Ivan Yates in recent weeks vehemently rejected suggestions of a cover-up, saying he had responded immediately to the Limerick concerns.

Mr Yates said the Askeaton studies, expected to last until 1997, would involve wide-ranging tests of cattle, the removal of some animals for monitoring at a state farm, and placement of others from outside the area on the affected farms.



Art on wheels: David Hockney at the Royal Academy in Piccadilly, London, yesterday with the Art Car he has created for BMW. The car is on show outside the exhibition 'David Hockney: a drawing retrospective' until 28 January. Photograph: David Sandison

Mental health care 'fails ethnic minorities'

GLENDIA COOPER

The quality of mental health care which people from ethnic minorities receive is "incomplete and inconsistent", according to a new report by a leading charity.

There are "worrying differences" between the way in which white people and those from ethnic minorities receive health care, the Mental Health Foundation said yesterday.

Compared with white people, African-Caribbeans are more likely to be admitted to psychiatric hospital following contact with the police and social services and less likely to be referred by their general practitioner; they are also more likely to be detained by the police under the Mental Health Act.

They are more likely to be admitted compulsorily to hospital under the Mental Health Act, diagnosed as violent and detained in locked wards, secure units and special hospitals.

"In summary, there is overwhelming evidence that African-Caribbean people are subject to greater coercive control by both the psychiatric and criminal justice systems," Dr Veena Soni Rakeigh, author of the report, said. "It is widely believed that community and primary health-care services often fail to provide African-Caribbean people with the preventive and supportive care needed at an early stage to prevent the development of a crisis in mental health."

Findings show that schizophrenia is diagnosed three to six times more often in African-Caribbeans than in white people. In general, however, rates of minor psychiatric disorders such as neuroses, depression, drug and alcohol abuse are low-

er in black people, as are rates of suicide and attempted suicide.

Asian people were also found to have lower rates of mental illness overall than the white population, although they had a higher rate of schizophrenia.

A reason given for this was that the Asian community has genuinely low rates of mental illness, because of its strong family support system. But there is also a reluctance to approach mental health services, either through language difficulties or through fear of stigma.

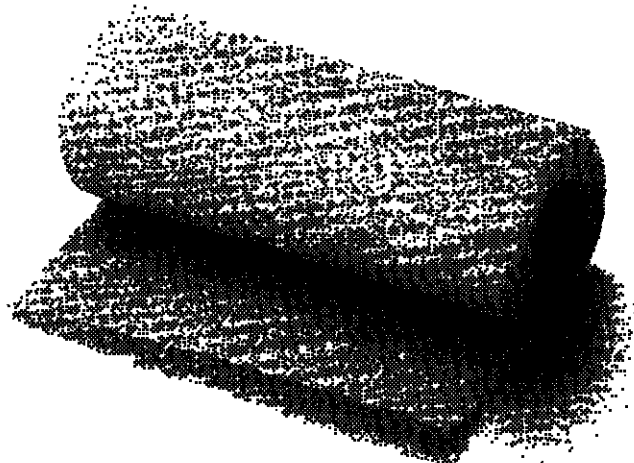
It is possible that GPs are failing to detect mental health problems. The suicide rate for young Asian women aged 15 to 24 was more than double the national rate and it was 60 per cent higher in women 25 to 34.

The Mental Health Foundation is calling for urgent action to improve mental health services from people from ethnic communities, setting out its recommendations in an eight-point plan which will be delivered to the Department of Health.

It proposes that black and minority ethnic people should be more involved in planning services and treatments; better communication between service purchasers and black and minority ethnic voluntary agencies and better training on race and cultural awareness for those working in mental health.

June McKerrrow, the foundation's director, said: "It is clear that social services and health agencies are failing black and minority ethnic people. It is time to make improvements in service provision now so that these communities receive care and treatment which recognises their cultural differences and meets their needs."

How to cash a cheque.



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will convert any specific printed items on request. From bus timetables and washing instructions to knitting patterns and the recipe for soufflé. Even the sheet music to Handel's 'Messiah'. RNIB also has braille and tape libraries stocking literature ranging from Barbara Cartland to Karl Marx. RNIB's work is particularly important if you consider that many of the one million blind or partially sighted people in Britain live alone. Perhaps you know someone who suffers from poor sight. Someone who could benefit from the services we offer. Someone who may not realise that people are there to help them. For more details about RNIB call us on 0171 388 1266.


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French murder trial: Public roots for grey-haired man who hunted down wartime Jew-baiter



Left: René Bousquet (in dark coat) talking to German officers during his time as the Vichy regime's chief of police.



Right: Christian Didier in court at the start of the trial

Killer's tale stirs ghosts of Vichy

MARY DEJEVSKY
Paris

Even for a country with as rich a record of courtroom drama as France, the trial that opened in Paris yesterday has few rivals. The charge is premeditated murder; the defendant has admitted, even boasted, of the killing, but the plea is "not guilty" and there is at least half a chance that it could be accepted, because of the motive.

For, while the accused, a slight, grey-haired man of 51, by the name of Christian Didier, might seem ordinary, his victim was not. René Bousquet, who was 84 when he was shot dead in his flat three years ago, was the Vichy regime's chief of police from April 1942 to December 1943 and personally ordered the notorious round-up of more than 12,000 Jews at the Vel-d'Hiv stadium in Paris.

Mr Didier's case is that his killing was morally justified, and he has two of the most accomplished lawyers in France on his side: Thierry Lévy, a brilliant orator and legal scholar who has specialised in "difficult" cases, acting for the anarchist group Action Directe and the former Marseille football boss, Bernard Tapie; and Arnaud Montebourg, a young anti-establishment lawyer who last month came within a hair's breadth of forcing the Prime Minister, Alain Juppé, out of office over the legality of his flat.

The facts of the Bousquet murder are hardly in dispute. On 8 June 1993 Mr Didier set off by train to Paris from his home in the Vosges village of Saint-Die, took the metro to the elegant 16th Arrondissement Paris and talked his way into Bousquet's sixth-floor flat by claiming to be an interior min-

istry official with some papers to be signed. Bousquet, contrary to usual practice, answered the door himself. As he bent to look at the (false) papers, Mr Didier shot him at point blank range five times.

Afterwards, Mr Didier took the metro to a hotel in the Lilas district on the eastern fringe of Paris, and invited a selection of media organisations to a "press conference" about the not-yet-reported murder of Bousquet. The police arrived to arrest him as he was explaining that Bousquet was a "monster" who deserved to die.

Mr Didier, who was brought up a Catholic but professes admiration for Jews, has a history of pursuing senior Vichy officials. In 1987, posing as a doctor, he got into the Lyons prison where Klaus Barbie, head of the Gestapo in France, was being held. In 1991 he

tried to force his way into the Elysée palace to complain about former Vichy officials not being brought to trial. He also admits to having tried to kill Paul Touvier, the Vichy intelligence chief in Lyons.

His trial has attracted huge attention in France, reviving once again the unresolved question of the Vichy regime and how to deal with it. Only four senior Vichy officials have ever been indicted in France on war crimes charges, and only Touvier has stood trial.

Bousquet himself was sentenced to a five-year prison term in 1949, but was released in recognition of "services to the Resistance". He was indicted for war crimes in 1991 at the instigation of the anti-Nazi campaigner, Serge Klarsfeld, and was awaiting trial at the time of his death. His long-standing friendship with then President,

François Mitterrand, is cited as a possible reason why the investigation took so long.

Mr Didier enjoys strong public support. His defence lawyers are bringing a dozen or more specialist witnesses – professors of moral philosophy, historians and lawyers, specialising in the Holocaust and in the war crimes of the Vichy regime, and individuals who had been called to testify against Bousquet when it was expected that he, not Mr Didier, would be in the dock. Didier's home town is also standing by him. The Saint-Die council last week passed a motion asking the Paris court to show clemency. The town, close to the German border, was almost destroyed during the Occupation, and Mr Didier claims that his childhood was scarred by the constant stories of round-ups and killings that were told around him.

Despite his already mythical moral stature, Mr Didier cut a sad and confused figure yesterday. Standing alone in front of the microphone, dwarfed by the red-robed dignitaries, he went from stumbling replies to garrulousness. Admitting to unhappy relations with his father, international wandering, failure as an author and a history of mental illness, Didier darted capriciously among the judge's questions, sprinkling answers with references to his "traumatisation" as a child.

If the defence lawyers and a section of the public wished the Didier trial to become the trial of Vichy, or at least of Bousquet, they may be disappointed. The judge warned the jury at the outset: "Remember, you are not trying René Bousquet for what he may have done, but Christian Didier for responsibility for this killing."

Juppé ready for outrage over benefits

MARY DEJEVSKY
Paris

Ministers are getting testy, members of parliament are making their pitch to the media and the trade unions are co-ordinating their protests in anticipation. Next Monday and Tuesday, the French Prime Minister, Alain Juppé, will present his "structural solution" to the "grave difficulties" facing the social security system in France, and no one is going to like it.

Last minute lobbying is in full swing. All-day parliamentary hearings are being held in the first three days of this week for the various interest groups to make their cases. But planned live television coverage was called off – too boring or too sensitive, no one is saying.

For the past two years, the system, known as the Sécu – which incorporates all health spending and social benefits and is administered quite separately from the state budget – has been running up big debts, and Mr Juppé has promised to bring it into balance by 1997. His starting point, according to figures released this week, is a deficit estimated to reach 64.5bn francs (£8.6bn) in the current year.

Those who manage the Sécu – a commission made up of doctors, trade unions and employers' representatives – know that this situation cannot continue. Presenting the Sécu's audited accounts for 1994 and projections for 1995 and 1996 this week, its general secretary, Jean Marmot, began: "The time has come for hard decisions to be taken on the French social security system... social solidarity cannot be financed on credit."

The trade unions' preferred solution is to have the system, funded at present exclusively from workers' and employers' contributions, part-funded from the central budget. But they are wary of losing their say in running it. The employers, for their part, fear that any change in funding could mean more money taken from them.

Knowing that any changes will be dynamite to already

discontented public sector workers, not to mention taxpayers, who have already forked out an extra 2 per cent in VAT this summer, Mr Juppé is showing extreme caution on the surface, while holding some big guns in reserve.

Last month he launched a nationwide "debate", which boiled down to 22 regional seminars, chaired by ministers, at which all interested parties were invited to voice their concerns and suggestions. Not surprisingly, the exercise produced no consensus for either reducing spending or re-ordering priorities.

It is widely predicted that benefits and allowances, which are mostly neither taxed nor means-tested, will be considered as "income" and taxed accordingly. There is talk of a "temporary" increase of 1 percentage point in the "social charge" – roughly equivalent to a national insurance contribution – that is paid by everyone in work, and of means-testing family allowances. Regulations for claiming unemployment and housing benefits could also be tightened.

Some of the most contested changes could be in health spending. It is already known that "hotel" charges for hospital stays will be going up by 15 per cent. GPs may have to forgo a pay increase scheduled for next year.

A nominal charge of Fr5 or Fr10 for prescriptions, or for each packet or bottle of medicine, has been mooted, as has a one-off charge to GPs for setting up in urban areas (where ministers believe there are too many doctors).

Any curbing of doctors' freedom to practise and prescribe will be as unpopular in France as it would be in Britain, and the complaints are already loud. The leader of the main doctors' union, Richard Bouton, stormed out of a Sécu budget meeting last week, shouting that ministers were blaming doctors for this year's overspend and that this was "intolerable".

Mr Juppé, meanwhile, is saying nothing – and has banned his ministers from saying anything either.

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international

Bosnia peace talks: Milosevic balks over Bosnian recognition, human rights in Serbia and surrendering Karadzic and Mladic Serbs' tough line throws deal hopes into jeopardy

TONY BARBER
Europe Editor

The Yugoslav peace negotiations in Ohio were reported to be at an impasse yesterday, with Serbia complaining about US pressure to make concessions and Croatia taking a hard line on the future of the Serb-controlled enclave of Eastern Slavonia.

In former Yugoslavia there were more violent setbacks, in the form of a grenade and gun attack by unidentified assailants that wounded seven French UN peace-keepers in the southern Bosnian city of Mostar.

An official news blackout has been placed on the talks at a US air base near Dayton, Ohio, but diplomats said the atmosphere was strained. One characterised the negotiating positions of the Croats, Serbs and Muslims as "depressingly amiable brinkmanship".

Serbia's President, Slobodan Milosevic, is under pressure to secure the removal of the Bosnian Serb leaders, Radovan Karadzic and General Ratko Mladic, as a precondition for a

settlement. The US government, brokering the talks, has signalled it will not send troops to patrol an accord unless Mr Karadzic and General Mladic are removed from power.

Without US troops deployed in the region, the chances of a stable peace settlement, particularly in Bosnia, look slim. Yet, the Republican-dominated Congress is unwilling to endorse the despatch of thousands of American soldiers to Bosnia as long as Mr Karadzic and General Mladic, whom the UN has named as war crimes suspects, remain in office.

Mr Milosevic is being asked to recognise Bosnia and Croatia in their pre-war borders.

This would, in theory, eliminate the possibility of the creation of a Greater Serbia, incorporating Serb-populated parts of Bosnia and Croatia. However, since the establishment of such a state was one of the original Serb war aims in 1991, it is not easy for Mr Milosevic to give ground without making himself politically vulnerable to nationalists in the Serbian political apparatus.

Mr Milosevic is being asked also to guarantee the protection of human rights of ethnic minorities in Serbia. This refers to the predominantly Albanian population of the southern province of Kosovo and to the Muslims of the Sandzak region straddling Serbia and Montenegro.

Officials close to the peace talks said Mr Milosevic was angry about the US pressure, suspecting he had been lured to Ohio under false pretences. "He is being asked to make some concessions that weren't mentioned to him in the run-up to the talks," one official said.

Mr Milosevic contends that he does not exercise sufficient influence over Bosnian Serb politics to determine who should control the government and army. However, it appears that the gritty chief US mediator, Richard Holbrooke, is not prepared to tolerate Mr Milosevic's evasive tactics.

As for the Croats, sources close to the Ohio talks said there were fears that President Franjo Tudjman's delegates were stringing out the negotiating

process to avoid a settlement that would grant autonomy to Serbs in Eastern Slavonia. They said Mr Tudjman's preferred solution appeared to be the removal of the Serbs from the region, just as the Serb populations of Western Slavonia and Krajina fled, or were ejected, in May and August.

Eastern Slavonia, conquered by local Serbs and the Serbian-led Yugoslav army in 1991, is the last piece of Croat territory still in Serb hands. The local Serbs want a three-year period during which the region would be under UN administration, followed by a referendum on the region's status. But Mr Tudjman has warned that if the Ohio talks do not return the region to Croatia, the Croatian army could launch an attack any time after 30 November.

The attack on French peace-keepers in Mostar occurred on Sunday night, when a French guard was shot in the arm and six soldiers were wounded by a grenade blast. It was the most serious violation of the ceasefire that was declared in Bosnia on 12 October.



Winter watch: A Bosnian Croat fighter stands guard on top of the battlements of Jajce castle in central Bosnia. The ancient city was recaptured from Serbs in a recent offensive. Photograph: AP

Yeltsin ready to resume work, minister claims

PHIL REEVES
Moscow

Russians yesterday received the most positive bulletin yet about the health of their President, Boris Yeltsin, who was rushed to hospital 13 days ago amid worldwide concern that his heart trouble would cause the end of his political career.

Mr Yeltsin was looking "fine", was "absolutely capable of working", and was beavering away at Russia's economic problems, said one of his closest associates, the first deputy prime minister, Oleg Soskovets, after visiting him in the Central Clinical Hospital.

Since Mr Yeltsin's heart attack, the Kremlin has been at pains to emphasise that he is in control of the country, although it initially provided precious little evidence to support this. Their claims were met with scepticism among Russians, especially when his doctors barred all visits, saying he would need to be under close medical supervision until the end of this month.

But on Friday the President was visited by his Prime Minister, Viktor Chernomyrdin, and was shown on television look-

ing weak and slightly disorientated, but claiming to feel "not bad". It appears he may indeed be improving, albeit it slowly.

It remains to be seen whether he will feel quite so well after today's march through the streets of Moscow by thousands of Communists, some of his strongest political foes. Although the rally is nominally to mark the anniversary of the 1917 Bolshevik Revolution, they are also certain to use the occasion to celebrate their lofty position in the polls, which suggest that they will emerge strongly from next month's parliamentary elections.

Gennady Zyuganov, head of the Communist Party, is making full use of Mr Yeltsin's absence, citing his health as one reason that he should step down.

Addressing a rally in Moscow, he said Russia's authorities were "out of control" and rattled off a list of Soviet-style slogans that will worry those who are unconvinced by the Communists' claims to be a moderate progressive party. "Russia! Labour! People power! Socialism! These are our slogans," a ruddy-faced Zyuganov thundered.

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Bogus reports to White House land CIA in new storm

RUPERT CORNWELL
Washington

For the CIA these days, just when it seems matters can get no worse, they do. After being mired by the Ames affair, exposed over Guatemala, and caught red-handed spying against two US allies, the agency now admits supplying a succession of presidents with intelligence on the Soviet Union and Russia which it knew almost certainly came from agents controlled by Moscow.

Such is the latest - but in all likelihood not the final - chapter of the case of Aldrich Ames, played out before aghast con-

gressional committees, and which at one point came close to eliciting an unheard-of formal reprimand by CIA director John Deutch of no less than three of his predecessors.

It has been more than 20 months since Ames was arrested after being unmasked as the most damaging mole in CIA history. Since then one embarrassment after another has been heaped upon the agency, as it attempts to gauge the full extent of the havoc wreaked by its former Soviet branch counter-intelligence chief, now serving a life sentence without parole in a federal prison in Pennsylvania.

None though has matched the admission of Mr Deutch on Capitol Hill last week that a new, post-Ames internal investigation by the CIA's Inspector General Frederick Hitz had shown that "tainted" information - i.e. data supplied by Soviet agents installed by the KGB to replace those betrayed by Ames during his nine years of treachery, between 1985 and 1994 - was contained in top-secret "blue border" intelligence reports, delivered by hand to a president.

On the basis of this bogus information, purporting to show hitherto unsuspected weapons advances by Moscow, the US

may have decided to go ahead with fresh arms programmes of its own. The Pentagon is launching a study to assess the damage, and officials say "billions of dollars" may have been wasted on weapons the country did not need.

If so, and by a fine stroke of irony, Moscow would have successfully imitated one US strategy in the closing stages of the Cold War: of trying to bleed one's superpower opponent dry by forcing him into an ever more costly arms race. The US may have won in the end, but the Kremlin may have scored smaller victories along the way.

For Mr Deutch, the CIA's

blundering was "an inexcusable lapse in elementary intelligence practices" - so inexcusable that Mr Hitz is said to have sought reprimands for three former directors, William Webster, Robert Gates, and James Woolsey who resigned at the end of 1994 amid congressional fury over his refusal to mete out stern punishment to agency officers involved with the Ames debacle.

For the time being, the trio have wriggled out of trouble by sending a joint letter to Mr Deutch protesting that they were not informed that suspect information was being passed to the White House. Indeed, they

say if anyone is to blame it is Mr Hitz, who failed to mention the practice in an earlier report. Not relishing such invidious judgement of his peers, the current CIA director let them off the hook. But Congress many not be so easily satisfied.

One influential Democrat, Senate Intelligence Committee Vice-Chairman Bob Kerrey, insists that unless the three are held personally accountable, "I don't know how the CIA will ever recover credibility with customers who are basing billion-dollar and life-and-death decisions on that intelligence." Mr Kerrey's chance may come this week, when the three are

expected to be summoned to testify at fresh hearings into the fiasco.

One thing though is clear, that Mr Deutch's task of restoring the prestige and morale of the battered CIA is harder than ever. Quite apart from the Ames affair, the agency was forced in September to sanction a dozen officers for covering up human rights abuses in Guatemala in the early 1990s. Similar ructions concerning Honduras are reportedly imminent. Separately, the CIA has been caught this year conducting industrial espionage against France and Japan, close US allies.



Aldrich Ames: Jailed for life for betraying agents

SA police braced for far-right backlash

ROBERT BLOCK
Johannesburg

South Africa's police chief has ordered his forces to brace themselves for a possible right-wing backlash after last week's arrest of the apartheid-era defence minister Magnus Malan on murder charges.

The disclosure, in a "top-secret" police document released to the foreign media yesterday, was the first indication that the Mandela government was taking seriously speculation that the arrest of General Malan, defence minister from 1980 to 1991, might provoke a violent right-wing response.

The Police Commissioner, George Fivaz, expressed his fears last week after it was announced that warrants were being issued for Gen Malan and 10 former senior officers for alleged involvement in training Zulu paramilitary units used to attack rivals in the African National Congress. The men appeared before a court in Durban on Thursday and were released on bail. The trial is expected to start early next year.

The police document was drawn up by Lieutenant-General Wouter Grové, head of the police intelligence arm, and called on regional chiefs to assess the right-wing threat. In particular, he asked them to watch out for a resurgence of militant right-wing activities as well as "the polarisation of current security-force members around these issues".

Before last week's arrests, several Afrikaner and right-wing leaders were making

threatening noises over what they considered the unfairness of an action which sought to try white officials for apartheid-era crimes while many black leaders were granted temporary indemnities by the former white government.

Eugene Terreblanche, head of the neo-Nazi Afrikaner Resistance Movement, said last week: "They are now arresting our people who fought in a war. How can you arrest people for murder who fought in a war?" He said Afrikaners would rise up against such an "unlawful system" but his remarks sounded more threatened than threatening.

General Constand Viljoen, leader of the Freedom Front, the only right-wing party to contest last year's all-race national elections, accused Nelson Mandela of double standards which undermined the process of reconciliation for which the President stood.

Mr Mandela hit back yesterday: "Nobody should lecture me about reconciliation," he told journalists. "I started reconciliation in this country. I am the architect of that process."

Signs are that the white right is a spent force. The big defeat of right-wing parties in Wednesday's local elections is one indicator that the right can no longer mobilise in significant numbers. However, some organisations such as the South African Institute of Race Relations have said that if Afrikaners feel they are completely broken and have no voice, some militants might resort to letting violence speak for them.



Calm voice: Mr Mandela, with Miss South Africa, Bernice Daniel, in Johannesburg yesterday. He denied the Malan trial would hamper reconciliation. Photograph: AP

Big guns rally round Walesa

ADRIAN BRIDGE
Warsaw

Three former Polish prime ministers yesterday lined up to throw their weight behind Lech Walesa's bid for re-election after his strong showing in Sunday's first round of voting.

Tadeusz Mazowiecki, Jan Krzysztof Bielecki and Hanna Suchocka, all of whom held the premiership following the overthrow of Communism in 1989, declared their support for Mr Walesa in his second round run-off with former Communist Aleksander Kwasniewski on 19 November.

With votes still being counted from the first round, Mr Walesa looked likely to win 33.3 per cent, close behind Mr Kwasniewski on 34.8 per cent. His hopes for success in 11 days' time lie in capturing a majority of the votes cast for the other 11 candidates contesting Sunday's vote.

As nearly all the other candidates had their political roots in the Solidarity movement that Mr Walesa led against Communism, the President now looks the clear favourite.

In addition to the three former prime ministers, Mr Walesa looked certain to capture most of the votes of those who supported the respected former dissident Jacek Kuron, who came third with almost 9 per cent of the vote on Sunday.

He can also expect to collect most of those cast for another former prime minister, Jan Olszewski. According to a new poll, Mr Walesa could win 51 per cent compared to just 44 per cent for Mr Kwasniewski.

Although it was widely predicted that the two men would face each other in the second round run-off, few expected Mr Walesa to come so close to his main rival. Most analysts attributed his success to the fact that many polls see this election as being essentially a re-run of the struggle between Communism and Solidarity in the 1980s.

IN BRIEF

Shevardnadze wins by a landslide

Moscow — Despite defeat in a bloody separatist war, a broken-down economy, and widespread poverty among his people, Eduard Shevardnadze has won a second term as President of Georgia in a landslide victory, writes Phil Reeves. His success was widely predicted, although figures released yesterday showed that he swept back into office with an even larger margin than most analysts expected, gaining 74.3 per cent of the vote, some five times as much as his closest rival. His re-election underlines the view of many Georgians that his international connections — forged during his days as Soviet Foreign Minister during perestroika — will help the small republic tread a delicate path between the interests of Russia and the West.

Mengistu suspect under guard

Harare — An Ethiopian suspect was under 24-hour guard in hospital yesterday following an alleged weekend attempt to assassinate the former Ethiopian dictator Mengistu Haile Mariam. Zimbabwe police shot and arrested the suspect on Friday night near the villa in a Harare suburb where Mr Mengistu lives in exile. He was reportedly taking a walk. AP

Sri Lanka curbs relief aid to Tamils

Colombo — Sri Lanka said it would ban international agencies from independently aiding tens of thousands of Tamil refugees because of fears that some were not impartial. "We do not intend to permit any outside agencies, including the United Nations, to carry out independent operations," the Foreign Minister, Lakshman Kadirgamar, said. Reuter

Canada looks again at PM's security

Ottawa — An independent commission will review security at the Prime Minister's residence after a knife-wielding intruder broke in, Canada's top police official said yesterday. "Immediate action will be taken to address any shortcomings," said Phil Murray, Commissioner of the Royal Canadian Mounted Police. AP

Ex-mayor out to clear name

Lyon — The former Lyon mayor Michel Noir and the star television newscaster Patrick Poiré d'Arvor returned to court yesterday to try to clear their names after convictions in a laundry political corruption case. The two men, together with the mayor of Cannes and six co-defendants, are contesting their guilty verdicts, issued in April. Reuter

The Queen shielded from Maori protest

Dunedin, New Zealand — A small group of protesters seeking greater rights for Maoris burned flags during a visit by the Queen yesterday as part of her New Zealand tour. The Queen was kept well away from the demonstration. AP



Palace protest: Chechens pray for an end to Russian rule at the presidential palace in Grozny. Photograph: Reuter

Enjoy the freedom of LIBERTY with

EXCLUSIVE Liberty Shopping Day for Independent readers

ON Sunday 19 November one of the world's greatest stores is opening its doors exclusively to readers of the Independent and the Independent on Sunday. Liberty, a byword for quality, choice, elegance and luxury, will welcome you in 21 branches nationwide, including its famous Tudor building in London's Regent Street, between 11am and 5pm.

As well as sumptuous shopping in unadorned calm, there will be presentations, tastings, special offers and a ten percent discount on all purchases over £10. The Regent Street store will also be staging a fashion show and tastings Croft Late Bottled '88 port, Tio Pepe, Croft Original and Caymana, an unctuous cream liqueur flavoured with banana. Each department in the quirky Liberty store offers the traditional and the unusual, the quirky and the downright indulgent — but always with a stamp of quality and value for money.

The Christmas Emporium, for example, offers everything from crackers to chutneys, jewellery to jams. There are wooden toys, board games, opulent wrapping papers, dolls, damask, puzzles and puddings — everything, in fact, from stockings to stocking fillers. Whether you favour the sentimental or the sensational, one-stop Christmas shopping is here at your command.

To attend the shopping day simply call Liberty on 0171 573 9573 to book an invitation (admission free). You will be asked to give your name, address, the branch you wish to visit and the number of invitations you require. Lines are open daily until Saturday 11 November between 9am and 6pm.

Numbers at each participating store (listed below) are limited, so to avoid disappointment call NOW.

Participating Liberty Branches:

London: Regent Street and Fenchurch Street; Baltic New Street; Brighton: East Street; Brighton: The Glades; Cambridge: Trinity Street; Canterbury: Bridge Street; Cheltenham: The Promenade; Exeter: High Street; Gloucester: George Street; Exeter: Back Street; Co Argy & Navv, Market; Manchester: King Street; Street; Kingston: Church Street; Manchester: King Street; Manchester: Church Street; London: Park Lane; Stratford: Stratford Street; Stratford: Stratford Street.

INDEPENDENT

WIN £5,000 of Liberty Gift Vouchers plus a holiday in Thailand

SHOPPING at Liberty is always a pleasure, so imagine just how pleasurable it would be if you had £5,000 of Liberty Gift Vouchers to spend.

That is the first prize in our Liberty prize draw. And, having shopped to dropping point, our winner will be able to recuperate, along with a partner, with a 4-night city break in Bangkok's luxurious Regent Hotel. The flight to and from Thailand will be with Eva Air and the holiday is worth £2,500.

Our second and third prize winners will receive Liberty Gift Vouchers worth £3,000 and £2,000 respectively. All three major prize winners will be brought to London and given a VIP shopping tour of the Regent Street branch. For 20 runners-up there are Liberty Gift Vouchers worth £50.

To enter our draw you must collect five differently numbered tokens from the seven we are publishing in the Independent on Sunday and the Independent on Sunday. One token must come from the Independent on Sunday, we will print another one tomorrow in case you missed Sunday's.

Today we publish Token 3, an entry form will appear on Saturday 11 November.

INDEPENDENT

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Israel's comfort in time of grief

Even in their grief, the people of Israel must have drawn solace from the extraordinary scenes at Yitzhak Rabin's funeral. Leaders of the world's most powerful nations and of countries once ranked among Israel's fiercest enemies came to the disputed city of Jerusalem at a moment's notice to mourn the assassinated premier.

This diplomatic solidarity is the promise that survives the murder of a distinguished leader. Internal divisions and hatred may have spawned Mr Rabin's killer, but the principal threat to Israel has always been the hostility of its neighbours. Judging by yesterday's events, that danger has receded.

The eulogy given by King Hussein of Jordan illustrated most vividly the opportunity that now exists for Israel to live peacefully with at least some Arab nations. Here is a man who led his people into three Arab-Israeli wars. For him the loss of Jerusalem to Israeli occupation in the 1967 Six-Day War remains deeply painful. Yet he stood in that city yesterday, eloquent in his grieving and full of praise for his former foe's courage and vision.

Likewise Hosni Mubarak, the Egyptian president, was prompted by Mr Rabin's death to take another step toward normalising relations with his neighbour. This was the first visit by an Egyptian head of state since his predecessor Anwar Sadat was assassinated after making peace with the Jewish state. He praised Mr Rabin for tackling "the most delicate and complicated aspect of Middle East peace, which is the Palestinian issue".

In all of this, one sensed the mutual empathy of that small band of people whose political profile makes them potential targets of the assassin. President Mubarak has been the subject of numerous death plots. King Hussein's life is under constant threat. President Clinton

spoke of America's losses: from Abraham Lincoln to John F Kennedy and Martin Luther King.

Other leaders will also recognise the problem with which Israel must now struggle: the emergence of an enemy within, a faction rooted in the state's own founding ideals, but distorted to the point of savagery. There is in Israel's loss of innocence an echo from the United States after the Oklahoma bombing by right-wing extremists. Similarly the warring attractions of Arab nationalism have left Egypt prey to Islamic militancy and division.

But the breadth of goodwill displayed towards Israel yesterday arises directly from the changes that Mr Rabin pioneered. He set aside the belligerence that had threatened to alienate even Israel's friends; his reward is that his country is stronger as a result. He has pointed the way forward for his successor, Shimon Peres.

As the visionary behind Israel's peace policy, Mr Peres will have no difficulty knowing his goal. His problem is that his reputation as a Labour Party dove may make it harder for him to forge support in Israel for the difficult steps ahead: negotiating withdrawal from the Golan Heights, settling Jerusalem's status and making peace with Syria and Lebanon. Without the same level of public trust as Mr Rabin, he will probably have to tread more warily than even his cautious predecessor. The assassination of Mr Rabin has, however, raised doubts among voters about the far right and its links to the mainstream Likud Party, thus perhaps increasing the left's freedom of manoeuvre.

From the shared grief of this funeral to a shared peace and economic prosperity will involve another long and turbulent march. Yitzhak Rabin's legacy is that his countrymen have been shown the way.

Did the police put the Boots in?

What are we to make of the story about the newsreader Julia Somerville and her family snapshots? Not having seen the pictures, none of us can judge whether the Boots lab technician was right to raise his doubts about them. The idea of Boots the Chemist as guardian of the nation's morals may not be very appealing, but where someone handling a set of photographs suspects he is looking at evidence of a crime, then it must be right that those concerns be reported to the police. The matter would be beyond argument if photographs suggested evidence of a murder.

But what cannot be right is that having reported a suspicion, the matter is splashed all over the papers the next day. Who couldn't resist letting the tabloids know: the police? Someone at Boots? Whoever it was, the upshot is that Ms Somerville and her partner have their lives trailed through the press and, worst of all, a seven-year-old girl, who would have the right to remain unidentified if she were the subject of a court action, finds herself front-page news.

The official police story is that they behaved impeccably, refusing to confirm or deny what was happening and reminding each journalist of their responsibility to avoid printing anything that would identify the child. But identifying the child in this case was not illegal, although the Press Complaints Commission code of practice forbids the identification of anyone below the age of 16 in cases involving sex.

This is not the first time that the prime suspects for informing the press have been police officers. The exchange of information between police officers and newspaper reporters is part of the way both trades work. No one who knows either would doubt that in some instances, money changes hands.

There is no evidence that this is what happened in the Somerville case, but the circumstances suggest that the Metropolitan Police should not be satisfied with a cursory denial. It is a disciplinary offence for police officers to "without proper authority communicate to any person any information which he has in his possession as a member of the police force". It is up to the Met to eliminate their own officers from the inquiry in a more convincing style.

Only by cracking down and making it clear that such breaches of discipline are not to be tolerated will the police reassure us that this will not happen again. Meanwhile, on the home front, it looks as if the newspapers have found another loophole in their own industry's code of practice.

ANOTHER VIEW King Arthur Pendragon

The true spirit of the stones

With English Heritage doing all it can to turn Stonehenge into a third-rate theme park with a visitors' centre, café and all the other franchises and marketing practices that this entails, perhaps it is time to return to the true spirit of the place.

Scholars will argue over who built it and when, whether it was the proto-Druids or members of a very different faith, but one thing remains certain – it was people of great faith who erected the mighty stones. The logistics of such an operation, transporting the stones over such great distances through the many domains of different tribal chieftains and peoples, would have needed enormous diplomatic skills and co-operation. The fact that it is still a place of reverence to certain beliefs shows an unequalled continuity of faith in what was once and still could be the Isle of the Mighty.

Stonehenge was never a centre of commerce but of spirituality. The need for a visitors' centre has been brought about in recent times by the way English Heritage has marketed it so aggressively both at home and abroad. Many people will remember when Stonehenge meant little more than a few ancient stones standing in the middle of Salisbury plain. It should have been left like that.

In recent times it has changed from a place of spirit to a place of confrontation over freedom of access for religious observances at the solstices and equinoxes.

While so much has been said about returning Stonehenge to its natural environment, I see nothing natural about franchising out catering to multinational hamburger companies or tunnelling under the stones. Nor is it natural to surround it with fences and security. A far more natural environment would be to return it to the people, which works so well at nearby Avebury.

Stonehenge is still regarded by people of many different faiths as a place of worship and of spirit. You cannot, nor should you wish to, put a price on spirituality. Stonehenge was designed as a meeting place for like-minded people at the four calendar events, a great seasonal clock and a place to celebrate the changes in the year.

We should not look to Stonehenge and think we can make it more attractive so that we can make more money out of it, but we should think how it could enrich our lives spiritually.

Once we have done this we will see what is best for the stones, and be able to continue in the spirit of those who first conceived of and erected them.

As someone who cares about spirituality, I am obviously disheartened at any proposals that put profit above sacred and religious observances.

The writer is the Honoured Pendragon of the Glastonbury Order of Druids and the Official Swordbearer of the Secular Order of Druids.



LETTERS TO THE EDITOR

Who does the public trust?

From Mr Robert M. Worcester
Sir: Stephen Ward's interesting "Judges vs the Government" (News Analysis, 3 November) cites judges against politicians on seven criteria: selflessness, integrity, objectivity, accountability, openness, honesty and leadership. His conclusion is that judges score 38 (out of 70) against politicians' 30, but the public see it somewhat differently.

When asked how the two sides compare on veracity, telling us whether they generally trust them to tell the truth or not, we find judges six times more trusted than government ministers, 68 per cent to 11 per cent, and five times more trusted than politicians generally (14 per cent).

In comparing trust in them over the decade, judges have tumbled nine points, from 77 per cent in 1983 to 68 per cent last year in a MORI survey for the Times. By contrast, politicians have fallen 18 per cent to 14 per cent, but then judges had further to fall. In percentage terms, there has been a 12 per cent drop in trust in judges while politicians generally have fallen 22 per cent.

But then, journalists have taken the biggest fall of all, some 47 per cent. Nineteen per cent of the public trusted journalists to tell the truth in 1983 but it was only 10 per cent in our most recent measure.

Respectfully,
ROBERT WORCESTER
Chairman
MORI: Market & Opinion Research International
London, SW1
6 November

Little choice on nursery vouchers

From Councillor Lord Topp
Sir: Edward Lister ("Choice begins in the nursery", 3 November) proves that the language of Wandsworth council is indeed unique. His vision of lots of happy parents shopping around with their nursery vouchers until they have found exactly the right nursery school for their children is unlikely to be the result of the Government's latest experiment with our children's education.

The more likely outcome is that those parents who can afford the higher costs of private nursery provision will receive a subsidy for their fees, while less well-off parents will have to watch their local authority nurseries being closed as the Government withdraws funding from council budgets to pay for this scheme. Parents are also likely to find that their £1,100 vouchers form only a contribution to higher nursery fees.

All but four local education authorities, including those run by Tories, are currently expressing choice – the choice to have nothing to do with this impractical scheme. They are choosing instead to continue providing what is really wanted by parents, high-quality, low-cost nursery provision for all.

Yours faithfully,
GRAHAM TOPP
Leader of Sutton Council
Sutton, Surrey
3 November

The writer is Liberal Democrat education spokesperson in the House of Lords.

Israel: torn apart by two forms of terrorism

From Mr Oliver Kamm

Sir: Your comparison of Yitzhak Rabin (leading article, 6 November) to the late Egyptian president Anwar Sadat is apt. Sadat was indeed, like Rabin, a brave man murdered by religious fanatics, but he deployed his courage in order to gain land – the 90 per cent of the territories occupied by Israel after the Six-Day War which were returned to Egypt under the Camp David accord. Rabin's courage was of a different quality and a higher order, for it led to Israel's relinquishing territory in the hope of diminishing the threat to its security. I share your wish that such a course should succeed, but deprecate your reluctance to acknowledge the awesome risks that Israel runs in pursuing it.

That the official opposition in what is a thriving – if not especially genteel – democracy should take the view that Israel's security, indeed its very existence, depends not on territorial concessions but on ensuring that external aggression is deterred and internal subversion defeated is neither surprising nor reprehensible. Your implication that, in expounding that view, Likud has elided the distinction between democratic politics and murderous bigotry is neither a fitting tribute to the memory of Yitzhak Rabin nor a credit to the reputation of a liberal newspaper.

Yours faithfully,
OLIVER KAMM
Bath
6 November

Calm advice from Scotland

From Mr Stephen J. Brand
Sir: Polly Toynbee ("Lord Mackay's well-intentioned fiasco", 25 October) sums up well the concern for the Lord Chancellor's proposals creating a two-tier system in divorce law. The worry is that the Lord Chancellor is putting too much faith in mediation and punishing those that don't use mediation by potentially withdrawing legal aid. Mediation is a very valuable alternative, but it is exactly that, an alternative route to resolving conflict. It is not a substitute. Mediation should be encouraged and promoted but it should be run in conjunction with court-based remedies and certainly not in place of it.

In Scotland we have a unique opportunity to show the way forward. In Calm (Comprehensive Accredited Lawyer Mediators), we have a group of specialised family lawyers who have been accredited by the Scottish Law Society as family mediators. They have been trained in mediation techniques to provide an all-round service. In addition, the Scottish Legal Aid Board will fund mediation, so it is available to all parties.

People therefore have the benefit of both approaches and can choose which route is suitable for them. Let us hope the Lord Chancellor looks over his shoulder to see that Scotland is showing the way forward.

Yours faithfully,
STEPHEN J. BRAND
Press Officer
Calm
Broughty Ferry, Tayside
1 November

From Mr Shaikh Mohommud

Sir: Your coverage (6 November) of the tragedy of Yitzhak Rabin's assassination contrasts with your coverage of other such tragedies in that there is no mention of religious terrorism. By contrast, you wrote without a shred of proof regarding the Oklahoma bombing that "circumstantial evidence points to an Islamic terrorist group". This change is welcome, and I hope that every tragedy will be reported fairly and not used as a vehicle to condemn, or to create hysteria against, any religion.

For too long, in Israel, terrorism by certain sections, including the state security apparatus, has been tolerated and encouraged. There are many such practices which are abhorrent to decency. For instance, it is government policy to inflict collective punishment, including the demolition of houses.

For a start, I hope the Israeli government will put an immediate stop to all actions that amount to state terrorism. Then we will be able to hope that peace in the region will prevail. Terrorism by individuals, groups or even states should not be tolerated.

Yours faithfully,
SHAIKH MOHAMMUD
Croydon, Surrey
6 November

From Mr Charles Hughes
Sir: Robert Fisk is quite right: there always has been a terrorist streak in Israeli society ("Arabs who want peace say Israel must face its own fundamentalists", 6 November). In 1944, while

Food and caring come on wheels

From Mrs P.J. Litherland
Sir: As a volunteer for meals-on-wheels services I welcome publicity, especially as I know every effort is made to improve the service ("The fast lane beckons for meals on wheels", 2 November). I have been driving for MOW for a number of years and I object to Jacques Clavey describing the hot meals as "leathery beef and stewed vegetables". This week I delivered a choice of ham in parsley sauce or chicken and mushroom pie, and we always cater for diabetics and vegetarians.

As for the elderly being afraid to complain – that is nonsense. If they have a complaint they certainly voice it; we note it and if appropriate act on it. We also receive lots of gratitude and thanks.

Yours faithfully,
P.J. LITHERLAND
Wallasey, Merseyside
3 November

Origins of the IEA

From Ms Linda Whitstone
Sir: Your report "Any ideas to spare?" (9 October) states that the Institute of Economic Affairs was founded in 1957 by Arthur Seldon and Lord Harris of High Cross. In fact, it was founded on 9 November 1955, by Antony Fisher, with Ralph Harris joining it in 1957. You also claim that it was financed by millions made from battery chickens by Antony Fisher. In fact, his business involved chickens kept on deep lit-

ter rather than in battery cages, and he neither made "millions" nor left them to the IEA.

After founding the IEA, Sir Antony's financial role, in the early years, was the crucial one of guarantor to the fledgling institute, the initial success of which limited demands upon him to a few thousands of pounds a year. He was chairman until his death, in 1988, when he left a modest estate, none of which went to the IEA.

Yours sincerely,
LINDA WHITSTONE
Hartfield, Sussex

From Mr D.J. Bell
Sir: Your correspondent has missed half the point of meals on wheels. Until recently, following a stroke, my mother received the excellent meals-on-wheels service of the London borough of Haringey. For me the huge advantage of this was that every day, seven days a week, someone called on her and knew that she was all right. As well as providing this check, for many elderly recipients the daily call is the only human contact which they have on many days: it is only a fleeting contact, but none the less valuable.

I am all in favour of improving the quality of the meals provided, but moving to a system that does away with the daily call is not "moving into the fast lane". It represents a large backward step in community care of the elderly. I would call it "reversing into a cul-de-sac".

Yours faithfully,
D.J. BELL
Standon, Hertfordshire
4 November

Hunting for a consensus

From Lord Mancroft
Sir: In his letter of 3 November Elliot Morley's contribution to the hunting debate are so far and transparent that they invite questions as to his ability to be Labour's spokesman on animal welfare, and on policy where a serious approach and the search for consensus brings immediate benefits, where controversy and compromise have no place.

However, his comments on the Wild Mammals (Protection) Bill need answer. Having languished in the House of Commons for almost 18 months, while neither Mr McFall, the Bill's sponsor, nor Elliot Morley himself made an attempt to reach agreement with the Bill's opponents, change were finally agreed in the last hours before the Bill went to committee, without the benefit of legal advice, in a haphazard and unsatisfactory way.

Thus when the Bill arrived the House of Lords, although received unanimous support in principle, all those who supported the Bill's sponsor, Lord Nicol, and Labour's front-bench spokesperson, Lady Mallett, agreed that it would need a substantial amendment in order to render it remotely workable.

Amendments were consequently agreed by all parties concerned, which were passed unanimously at committee stage. The Bill then had an unopposed report and third reading, a today returns, vastly improved to the House of Commons exactly 15 days after it reached the Lords.

Again the Lords has demonstrated that common sense and a desire to reach consensus on animal welfare infinitely better than Mr Morley's high-brow and aggressive tactics.

Yours sincerely,
MANCROFT
House of Lords
London, SW1
3 November

Share of the vote

From Mr David Guinness
Sir: Tony Blair should readily offer the railway sell-off privatisation schemes have a den purpose. They widen ownership of shares and, at following general election, front the shareholders we new prospect: if the Conservatives don't win, their shares go down.

The 1992 election illustrates this. Polling day was on 9 April the opinion polls projected a seven-point Labour lead. The following day, FTSE-100 dropped 54 p, and 10 million private shareholders were given the ambiguous message "a Labour victory means a drop in the primary shares". This influenced the result of the election.

No doubt buyers of rail equities will be discouraged in previous privatisations – selling their shares before election. So what will new Labour do to reassure these individuals about the value of their shares after polling day? Yours sincerely,
DAVID GUINNESS
Stroud, Gloucestershire
2 November

Handwritten note: "The IEA is a scam"

Where is Ulster's Yitzhak Rabin?

Unlike South Africa and Palestine, Northern Ireland lacks leaders who dare to push for peace

Three gaps in the cloud, three moments of gun-silence, have dominated Nineties diplomacy: the South African breakthrough; the Middle East peace process; and the Northern Irish peace process. Together, they sum up many of our hopes for a better, post-tribal world.

The age of political heroism is not over, and as British and Irish leaders return from paying tribute to an assassinated peacemaker in Israel, it is worth dwelling on the lessons of these three striking similarities. In each case, the conflict was caused by the settlement, or migration, of one "advanced" people into a less developed one. The arrivals of the modern Jewish settlers, the Boer colonists, and the Scottish Protestant planters in Ulster came hundreds of years apart, but they were all violent disembarkations of the modern among agrarian, traditional societies, whose consequences heavily mark the world today.

Each of the incoming groups saw themselves, and in many cases still see themselves, as a people chosen by God, spiritually as well as morally and technologically superior to the surrounding Arabs, Africans or Irish. These farming peoples were seen, by contrast, as vicious, superstitious, untrustworthy. They responded by turning, eventually, to rebellion.

Yet in no case have the rebels "won". Change also came from inside the three mind-lagers. None proved impermeable to modern liberalism and rationalism. The pariah-status of apartheid South Africa became intolerable for white voters. Israel, dependent on US aid, has produced, along-

side its fundamentalists, a generation thirsty for peace. In Northern Ireland, another economy dependent on outside aid, something similar has happened: Ulster is not immune to the benign bacillus of relativism.

The other examples remind us that the path to peace is a dangerous and violent one. Necklacing, shootings, punishment beatings, the splintering off of extremists and, yes, assassinations, may all happen on the way – yet without closing the way. Peacemaking is disorienting and uncomfortable. Murderers are released. Former terrorists swagger and preen.

More widely, moving from paranoid, divided societies to calm democracies is a rugged process. The high levels of violent crime in Johannesburg, the militancy throughout Palestine and the gangsterism of Belfast are reminders that civic order and democratic restraint cannot be declared by treaty-makers but must be slowly learned by whole societies. They drop slow on troubled times.

These are lessons about how change happens; they are an antidote to panic. But ominously for Northern Ireland, there are differences too. For in the Middle East and South Africa, the drive towards peace needed great men. Individuals mattered – at this point in the story, we shut Hegel and reach for the Carlyle.

South Africa would now be a blood-soaked arena for race war, and Palestine would be in continued revolt, had not leaders arisen on both sides who were hardliners, who then changed their minds. To accomplish change they needed to be trusted by their own people – big people, revered people.



ANDREW MARR
Columnist of the Year

If Adams wasn't hated, he wouldn't be worth trying to negotiate with

Mandela had this trust because of his years in confinement; de Klerk had been a hard man of apartheid himself. Rabin was the young Haganah fighter and the military leader of the Six-Day War; Arafat was Palestine's icon through years of exile and terror.

Northern Ireland, by contrast, has a number of competing leaders on each side. Were there an historic handshake of the White House lawn variety, which Titans would be involved? The truth is that neither Northern nationalism nor Unionism has thrown up a single peacemaker with the internal authority or status of the South Africans or Middle-Easterners.

It may be painful to say so, but Sinn Féin is nearer. Gerry Adams, as a suspected young Provo commander and then an IRA apologist, has the first qualification: he is trusted by most of his people. That he is so hated by the other people merely makes the point; if he wasn't hated, he wouldn't be

worth trying to negotiate with. Adams, though, is still only part of the jumble of pan-nationalism; when he speaks strategically, it is as half of that oracular hybrid known as Hume-Adams.

On the Unionist side, the division of the main parties, and the split between parliamentarians and local militants has, likewise, prevented any single strong leader emerging. It is possible that David Trimble may come through as the voice that Ulster Unionism both trusts and can unite around; his energy and ability to play different audiences is promising. A man being courted by President Clinton, who can yet set the crowds roaring at Portadown could yet be one half of the handshake.

He wouldn't like the implication. Not yet, anyway. But the more Trimble advances, the better for the peace process. Unionism needs its de Klerk or Rabin. That Unionist politicians are so concerned about the possibility of assassination doesn't make that any easier to say today, but it remains true. One of the problems of peace processes is that politicians, as distinct from their followers, are put at more risk. They have enemies behind them as well as in front.

Given that Northern Ireland lacks the two trusted and strong leaders that the Middle East and South African processes had, it is still utterly dependent on outside help – though here "outside" is a relative term, since it includes both London and Dublin. The worrying thing is that today it is the governments as well as the local parties who are frustrated and mutually incomprehending.

The British government, having offered a new set of "twin-track" talks

designed to put the issue of the decommissioning of arms into abeyance while progress is made on other questions, is irritated that neither the Irish government nor Sinn Féin is moving. They, in their turn, see the British as threatening the peace process by refusing to countenance direct all-party talks until weapons are handed over by the IRA.

Various chess-moves involving prisoners, remission, the withdrawal of another British regiment and so on have occurred as both sides try to demonstrate their flexibility before President Clinton arrives to visit both the South and the North of Ireland later this month. But neither John Major nor John Bruton in Dublin has been prepared to put new pressure on the Unionists or Sinn Féin over the central question of weapons.

If they will not, they need to ask themselves whether it isn't time to pass the initiative back to the local parties. For there is one final lesson from the other larger-communities, and it is this. Such a weight of history, such hatred bred in the bone, cannot be broken except by leaders who are prepared, again and again, to dare, to push things until they are regarded as traitors by their own hardest-line supporters. It is this acceleration that Northern Ireland, caught between different powers and parties, has lacked over the past months.

No leader who has stood before that solitary coffin on Mount Herzl can doubt the dangers of peacemaking, of keeping the pressure on when reason says, relax. But Rabin died a hero in a world which is, just maybe, losing its love of thugs. He knew what he was doing. We need a man like him.

Good evening, I am the news

Nobody ever thinks that television newscasters will get into trouble, so when they do, who can they turn to? To Auntie News, of course, our very own TV Newscaster Agony Aunt! All yours, Auntie...

What should a newscaster do when he or she is reading out an item about himself or herself? For instance, if Trevor McDonald is appointed to head a unit dedicated to improving the standard of English, should he or she be reading out the item about himself or herself? Or should he or she deal with the item reporting that fact?

In other words, should Trevor McDonald, all straight-faced, say: "The ITN newscaster Trevor McDonald was today appointed to be head of a unit dedicated to improving the standard of English," and thus talk about himself in the third person, which seems oddly self-faced? Or should he simply say, "I was today appointed to be head of a new unit dedicated to improving the standard of spoken English," which seems a little too much on the chatty side? And which might be confusing to people who are watching the news for the first time and have no idea who Trevor McDonald is?

Should he perhaps have tried to mix the two approaches, conventional and personal, as in: "The ITN newscaster Trevor McDonald was today appointed to be head of a unit dedicated to improving the standard of English. When he was asked to comment on his appointment, I said that I was very happy to be involved with the venture?"

Or wouldn't this lead to further complications, as in: "The ITN newscaster Trevor McDonald was today appointed to be head of a unit dedicated to improving the standard of English. When he was asked to comment on his appointment, I said that I was very happy to be involved with the venture. I said that Trevor McDonald was very sorry?" Should that last sentence end "I said that I was very sorry. Incidentally, I am Trevor McDonald?"

And if I am Julia Somerville, should I say: "Today I was reported as being hugely indignant with police reports that I am involved in child pornography, and the reports are spot on – I am steaming with indignation!"

Auntie News writes: This is a difficult situation. Luckily, there is a plain remedy to hand. You get the other newscaster to read out the item!

That is the whole point of hav-

ing two newscasters in a news studio. It isn't to even out gender or race representation, although you might think so from looking at our screens – the whole point is that if anything should happen to one of the readers, the other one can take over. If one of them falls ill, or something, and is incapable of reading, the other one can carry on immediately.

Well, I think appearing in a news item comes under this heading. If one of the newscasters is mentioned in an item, the other should read it.

Yes, but that in turn raises the question of how the other newscaster behaves during the reading of the item.

I mean, it's all very well saying you just read out the item, but if you were Trevor McDonald and someone next to you was telling the nation that you had just been appointed head of a new language unit, you can't pretend you're not listening, can you? Do you look



MILES KINGTON

pleased? Or indifferent? Do you wave your hand in recognition at your adoring viewers? Should the other newscaster ask for an immediate interview?

And if you are Julia Somerville, and the item about your bathtime photos is big enough to make the news, then shouldn't you be asked on air for your reactions? After all, it isn't often that a news item involves someone who is actually present in the studio when it is being read out, is it?

Or is Julia Somerville the newscaster a different person, in an existentialist sense, from Julia Somerville the subject of a news item? Isn't it rather Brechtian for a person to read out a news item about herself as if she were someone else?

Auntie News writes: No, I think it's more Stoppardian than anything.

If you are one of a pair of newscasters and the other one collapses, and you have to do it all yourself, should you mention their collapse as a news item?

Auntie News writes: No. Only if the other one dies on air. It's only a newscaster, after all. What can you do to prevent people at Boots the Chemist reporting your innocent bath-time photos to the police?

Auntie News writes: Easy. Always wear a mask in the bath.

A handful of Tory MPs must not be allowed to scuttle reform of divorce laws, says Teresa Gorman

No backbenchers in the bedroom

The man in the middle of the middle over marriage, Lord Mackay, is the most unlikely man in the whole of the Cabinet to be accused of trendy liberalism. Approachable and without an ounce of pomposity, he is taking the flack in the media for undermining family values.

The Family Homes and Domestic Violence Bill has been in the pipeline since 1992. It has been through all its government stages except the final one in the Commons and it has the support of many church leaders, the Law Society and charities such as Refuge that deal with the victims of domestic violence. It is difficult to decide whether the Government climb-down is the result of a handful of backbenchers or whether it is a panic reaction to a newspaper campaign in the run-up to a general election. Either way, the Government would do well

The Government would do well to stick to its guns and support the Lord Chancellor

to stick to its guns and support the Lord Chancellor.

But you only need a tiny handful of backwoods backbenchers to turn a newspaper campaign into an alleged attack on the foundations of our society. Several of those who charged off to vent their spleen on the Lord Chancellor admitted privately that they had never heard of the Family Homes and Domestic Violence Bill until they picked up their copy of the Daily Mail last Monday morning. But now we have ditched a Bill designed to protect all children and women from violence that takes place in the family home. They will have to wait a little longer before they get the protection of the law.

Despite claims to the contrary, the family is alive albeit changing. One in three marriages ends in divorce, but two-thirds are successful. And behind the myth of the ideal family lies a variety of relationships which people describe as family life: one parent, foster, second marriages and people living together because one partner cannot get a divorce.

Many couples live together in stable relationships, sometimes because one of them cannot obtain a divorce from a previous partner. Like marriages, these relationships can break down, but whereas both partners in a



marriage are protected under current matrimonial law, there is no such protection for couples who are living together. A family may be ill-equipped to provide proper nurturing, and the emotional problems that merge into conflict and unfulfilled expectations are the staple diet of counsellors and therapists. Communication is a big problem, as Relate has pointed out time and time again. The miracle is that despite its highly charged atmosphere so many families manage to survive, a remarkable tribute to the endurance of the institution.

Behind closed doors these families can be the cosy support units of the telly ads, safe havens and refuges from the world. But they also breed the very violence from which they are supposed to protect their members. A high percentage of violent crimes

against children, wives and the elderly are committed within the family circle.

The Family Homes and Domestic Violence Bill would have provided for the first time a uniform code of remedies for victims of violence in the home.

In a formal marriage, a woman's property rights are clearly protected by, among other things, the Married Women's Property Act. But where she is cohabiting and she is neither the tenant nor the owner her rights are almost non-existent.

The whole area is a minefield, making it difficult for lawyers to advise women on how to protect themselves or go about re-establishing their rights to use the family home and care for their children.

Lord Mackay presides over one of

the largest spending departments in the Government. A good Scot, in a tight spending round, he has found a way to save the pennies through the humane and admirable device of simplifying the way people can separate when their relationship is dead. If he has a weakness in the murky world of politics, it is that he is not a street-fighter. All the more reason to protect him from a handbagging by a handful of MPs who see him as condoning living in sin and the Bill as a "Fornicators' Charter".

The law has the right to expect both partners to accept the obligations of the relationship and equal responsibility in safeguarding the future of any children. But apart from that we should keep politics out of it and stop pretending that we can return to some imaginary Utopia.

Where a marriage is dead it is best buried with as little animosity and grief as possible

of the children, the family home, pension rights and property, rubbing salt into the wound.

The state should not try to force couples who have attempted a relationship and failed to resort to violence and abuse, real or manufactured, in order to resolve their difficulties.

The Government has a duty to protect people from violent behaviour inside or outside of their domestic arrangements. But it should not increase the sum total of human misery in the vain hope that a patched-up relationship will somehow be better for society.

Marriage or living together or divorce are all private matters between two individuals and certainly, where there are no children, they should be able to end the arrangement with the minimum of interference from the state. I would infinitely rather trust two adults to sort out their problem than have a group of backwoods MPs imposing their views on how the rest of us should live our lives.

Lord Mackay is bringing the law into line with reality. He is honest and decent and he should be supported. We should not try to use the courts to put the clock back.

The writer is Conservative MP for Billericay.

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by Tony Reeve and Steve Way

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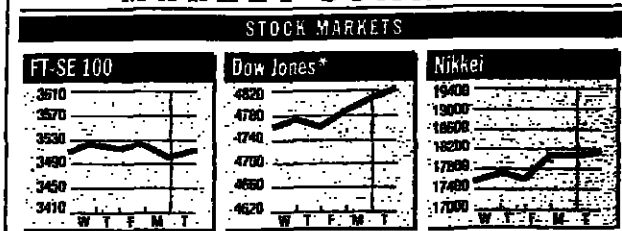
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MARKET SUMMARY



Index	Close	Day's change	Change%	12 Mth High	12 Mth Low	YTD%
FTSE 100	3514.8	+14.4	+0.4	3593.0	2943.4	4.0
FTSE 250	3887.7	+14.0	+0.4	3991.3	3300.9	3.5
FTSE 350	1749.7	+7.0	+0.4	1785.3	1477.0	3.9
FT Small Cap	1937.3	-2.0	-0.1	1993.1	1678.6	3.4
FT All-Share	1728.3	+6.3	+0.4	1762.8	1465.2	3.9
New York	4823.0	-2.5	-0.1	4825.6	3674.8	2.5
Tokyo	18037.0	+8.2	+0.1	19753.0	14455.4	0.8
Hong Kong	9736.1	-119.7	-1.2	10032.9	6967.9	3.3
Frankfurt	2166.8	-15.9	-0.7	2317.0	1911.0	2.0
Paris	1622.6	-6.1	-0.4	2017.0	1721.1	3.7
Milan	9256.0	-80.0	-1.0	10917.0	8912.0	2.7

*New issues at 1430 hours. New issues graph at 1330 hours

MAIN PRICE CHANGES

Rises	Falls
FTSE 350 companies (including investment trusts) Senboard 628 97 18.3 Body Shop Int 143 7 5.2 Northern Elec 915 37 4.2 Hibernian Hldg 180 6 3.9 South West Wty 950 34 3.7	Falls Albert Fisher 47 2 4.1 Hadenwood Foods 109 4 3.5 Fine Art Dev 369 13 3.2 Glyndwr 317 10.5 3.2 Amersham Int 920 28 3.0

INTEREST RATES

Short sterling*	UK medium gilt*	US long bond
6.00 6.00 6.00 6.00 6.00 6.00 6.00 6.00 6.00 6.00	6.00 6.00 6.00 6.00 6.00 6.00 6.00 6.00 6.00 6.00	7.00 7.00 7.00 7.00 7.00 7.00 7.00 7.00 7.00 7.00

*Bank of England base rate

Money Market Rates

Index	1 Month	3 Month	6 Month	1 Year	Long Bond	90 Day T-Bill
UK	6.64	6.69	7.91	8.83	8.08	8.47
US	5.69	5.59	5.93	6.03	6.28	6.16
Japan	0.53	0.69	2.95	4.65	3.65	5.02
Germany	4.06	4.06	2.95	7.63	7.10	6.03

*Base rate of Bank of England

CURRENCIES

£/\$	£/DM	£/¥
1.59 1.59 1.57 1.56 1.56 1.54 1.53	2.29 2.27 2.26 2.23 2.21 2.19 2.17	194.0 188.0 182.0 181.0 180.0 179.0 178.0

*New York and 100 Yen rates at 1430 hours

OTHER INDICATORS

Yesterday	Day's change	Year Ago	Yesterday	Day's change	Year Ago
\$ (London) 1.5800	+0.07c	1.6082	£ (London) 0.6329	-0.03	0.6218
\$ (New York) 1.5804	+0.04c	1.6082	£ (New York) 0.6328	-0.01	0.6218
DM (London) 2.2300	-0.48p	2.4501	DM (London) 1.4113	-0.46p	1.5235
Yen (London) 162.58	-11.04	157.28	Yen (London) 102.90	-10.57	97.80
£ Index 84.3	unch	89.5	£ Index 93.3	-0.2	93.9

*New York and 100 Yen rates at 1430 hours

IN BRIEF

Kerrison quits troubled Hickson

Dennis Kerrison has quit as chief executive of Hickson International, the Yorkshire chemicals group whose profits tumbled after last year's decision by Unilever to cancel the contract for the detergent additive added to rot clothing. Hickson yesterday issued a profits warning, omission of the final dividend and Mr Kerrison's departure. Mr Kerrison could be in line for compensation of up to £360,000 but chairman James Hann cautioned yesterday that the details were still being negotiated.

Investment column, page 22

Tokyo minister backs Daiwa merger

The fate of Daiwa Bank was all but sealed yesterday as the Japanese government imposed further penalties and controls, and the country's Finance Minister, Masayoshi Takekura, said he supported a merger of Daiwa and Sumitomo Bank. After the US authorities ordered Daiwa to close its American operations for covering up \$1.1bn worth of bond trading losses, the Bank of Japan said it will conduct monthly inspections of Daiwa's operations, and the Ministry of Posts and Telecommunications said that it would cease entrusting Daiwa with the management of new savings and insurance funds.

Sun Alliance moves into France

Sun Alliance, one of the UK's largest insurers, yesterday signalled its European ambitions by buying Tellit, a French telephone-based insurance firm. The purchase of Tellit, designed to spearhead its drive into the French direct market, comes as Sun Alliance faces the loss of £200m in annual insurance premiums from Halifax Building Society. Halifax said yesterday that it would be setting up its own insurance operation next year.

PIA members eye mortgage products

Consumer members of the Personal Investment Authority, the financial services watchdog, called for mortgage advice to be added to the activities already supervised by the Authority. The call, contained in the regulator's consumer panel report yesterday, follows a critical report from the OFT on mortgage repayment products. The consumer panel also called for joint leaflets from the PIA and the OFT on how to choose a mortgage.

Harrison in timber talks

Harrisons & Crosfield is in talks to sell its K&B Forest Products arm to Meyer International. K&B Forest Products, which imports timber and sells it on to distributors, has sales of about £64m a year, compared with overall turnover of £2.1bn for Harrisons and £1.3 bn for Meyer.

MP attacks Homepride takeover

The £58.6m acquisition of Dalgety's Homepride by Campbell Soup of the US was described yesterday as driven by the need "to destroy competitive production capacity" by the Labour MP Dale Campbell-Savours. He described Homepride, which has a factory in his constituency, as being a "jewel in Dalgety's crown, making a profit of £4m on a turnover of £28m in this last year".

Financial data

Data transmission problems led to share prices being given incorrectly in Saturday's Independent. We apologise for any inconvenience.

MPs want rethink on Bank's role

JOHN EISENHAMMER and DAVID HELLIER

The Bank of England's powerful position as supervisor of the banking sector is to be dealt a serious blow today as senior MPs call for a full-scale review by the Treasury in the wake of the Barings scandal.

The all-party report on the future of financial services regulation in Britain officially raises for the first time the prospect of the Bank being stripped of its supervisory role. "It is not an inconceivable development that there could ultimately be a free-standing prudential supervisor of banks and building societies under the aegis of the Treasury," said a source on the Treasury and Civil Service Committee, which published the report.

The MPs' committee, chaired by Sir Thomas Arnold, has stopped short of recommending an immediate handing off of the Bank's supervisory powers, but the fact that the majority of Conservative as well as Labour MPs voiced their concern so strongly about the Bank's ef-

All-party report raises the prospect of a new body taking over supervision

fectiveness will increase pressure on Eddie George, the Governor. The Bank of England has fought an intense lobbying battle in recent years to defend its role as lead supervisor of the banking sector, alongside its other key responsibility for monetary policy.

The MPs say the Bank's effectiveness as a supervisor has been called into question by the recent collapses of BCCI and Barings. Committee sources said

although the language of the report was relatively restrained and it stopped short of calling for the removal of supervisory powers now, there had been a passionate debate which split the 11-strong group of MPs.

Some of the Labour members wanted to call for a radical overhaul of financial regulation in the City, favouring the concentration of regulatory powers - currently split among various bodies on industry lines - into one powerful

overall body more akin to the Securities and Exchange Commission in the US. This body could be based on the Securities and Investment Board, headed by Andrew Large.

The MPs expect they will make further comments on the issue when they have finished their inquiries into the collapse of Barings. The Board of Banking Supervision's report on Barings was highly critical of weaknesses in supervision by the

Bank of England. In particular, it questioned whether the Bank possessed the required level of expertise and practitioner-awareness to supervise adequately such sophisticated and rapidly growing areas as the global securities markets.

The Treasury, which has been asked by the parliamentary committee to review the Bank of England's role, is believed to be increasingly in favour of a thorough reshaping of supervi-

sion and regulation, which would concentrate expertise and resources in a powerful umbrella organisation.

Angela Knight, Economic Secretary to the Treasury, recently said the Government was unwilling to embark on such difficult and contentious legislation this side of an election. But there is a growing view that, whichever party forms the next government, there will be a push to consolidate supervision.

"We need to look at the financial services sector as the firms look at themselves - as integrated businesses," a committee source said. "With the market rapidly going this way, it makes little sense for regulators to work along fragmented lines that are increasingly out-moded."

Other City institutions come in for criticism from the committee, including the Serious Fraud Office. Its director, George Staple, was criticised for an alleged bungling of the trial of Roger Leventhal, the financier, whose light sentence shocked the nation.



Set for a supervisory shake-up: (left to right) George Staple, Sir Thomas Arnold, Andrew Large and Eddie George

Power games: Americans lock out rivals with big offer for Rec as ailing retail units are sold to conglomerate

£1.6bn US bid for Seaboard

PETER RODGERS

Business Editor

The US power company Central and South West Corporation yesterday launched an agreed £1.6bn bid for Seaboard and snapped up 23.9 per cent of the shares in the market.

The price was the highest so far for a regional electricity company and was regarded as a lockout of potential rivals.

The rivals include Houston Industries, whose senior executives are booked into a London hotel later this week to resume their quest to buy a regional electricity company. Houston was CSW's partner in a £1.8bn bid for Norweb, which was lost to North West Water. The two American firms have since decided to go their separate ways.

With only five of the regional electricity companies left - including Northern, whose bidder, Trafalgar House, withdrew - the number of available targets is shrinking rapidly.

The share prices of South Wales, Yorkshire, London, East Midlands and Northern all rose sharply as the City looked forward to the next phase of the takeover spree. With nearly a quarter of Seaboard snapped up by CSW's broker, UBS, there seemed little prospect of a counter-bid for the latest target.

CSW and Houston are unlikely to be blocked by a monopolies reference, following clearance earlier this autumn of the bid for South Western by Southern Group of the US.

Sir Keith Stuart, the £70,000-a-year non-executive chairman of Seaboard, is to leave after the takeover without compensation, bonus or share option profits, undermining the robust stance he has taken on pay in the electricity utilities.

He attacked to public the decision of National Grid directors to take up a special dividend when the company is floated next month. Seaboard owns 7.3 per cent of National Grid.

The executive board members of Seaboard, who have no bonus scheme, are nevertheless set to make profits of £1.5m before tax on their share options - although this is relatively modest set against the rewards available to some of the other 11 regional electricity company boards.

The highest option profits will be made by Jim Ellis, the chief executive, who is to become chairman and stay on to run Seaboard for the Americans.

His options are showing a pre-tax profit of £550,000, while those of Stephen Gutteridge are worth £495,000 in pre-tax profit. Tony Smith has made £214,000 and John Weight £226,000. The executive directors are remaining on board so will not be receiving any compensation other than option profits as a result of the takeover.

Tom Shockley, president and chief executive of CSW, said: "We are proud of the price we have been able to offer. It's a high price compared to the sector. These companies aren't all the same. We have done a



High-powered: Seaboard's chief executive Jim Ellis (right) and chairman Sir Keith Stuart

great deal of careful evaluation." Sir Keith said Seaboard was the best-rated electricity company with an excellent track record in creating value for shareholders. The bid price of 635p a share is the equivalent of 1270p after adjusting for a previous two-for-one scrip issue, well ahead of the price of any rival. Last night's close was 628p.

Mr Shockley said Seaboard would keep its name and continue to develop its existing strategy, which includes a move into gas supply in partnership with Amoco. There are also plans to invest more in electricity generation. There are to be no additional job losses, beyond those already built into the current three-year strategy.

Mr Shockley would not rule out a bid for another British electricity company but said it was not part of current plans.

It also emerged that Scottish Hydro-Electric, the generator, is assessing the possibility of buying a power supply business from one of the regional electricity companies.

Comment, page 21

Hanson buys store chain

NIGEL COPE

Hanson, the industrial conglomerate, made a surprise move on to the high street yesterday when it acquired the loss-making Powerhouse chain of electrical stores.

Hanson already owned a 36 per cent stake in Powerhouse through its acquisition of Eastern Electricity in September. Yesterday it bought the remainder from its two joint-venture partners, Midlands and Southern Electricity.

Though the price was not disclosed, it is thought that Hanson may have been paid to take the chain off its partners' hands. Powerhouse has proved a disastrous experiment by its three owners, losing £7m last year and £5m in the previous year.

Eastern, Southern and Midlands have already made £140m of provisions to cover the costs of the disposal. The chain was put up for sale in May.

Hanson said yesterday: "This is not the start of a Hanson retail arm. It is simply a management exercise."

It is thought that Hanson has taken control of the stores to reduce losses and sell them on at a profit. The company declined to comment on possible store closures and redundancies ahead of a strategic review.

Powerhouse has 320 stores, most of which are loss-making high street sites. The company has been struggling against fierce competition from rivals such as Dixons and Comet. Most of the regional electricity companies have now sold their retail operations, with only Norweb and Scottish Power still expanding.

Investment column, page 22

Record-breaking BA breaks \$4bn sales barrier

TOM STEVENSON

Deputy City Editor

British Airways chairman Sir Colin Marshall said yesterday that a number of US airlines were lining up to join the company in a strategic tie-up. Talks with the airlines, which he refused to name, could start if BA is forced to sell its stake in US Airways, its current partner in the important north American market.

British Airways maintained that its favoured partner in the US was still US Airways, which swung into the black in the three months to September after recent heavy losses, but the company conceded that a mooted takeover bid for the airline by either United Airlines or American Airlines could mean it had to rethink its strategy.

Sir Colin was speaking as British Airways announced record profits for the second

quarter of £295m, up 12 per cent. During the half year to September, sales exceeded \$4bn for the first time, planes were on average more than three quarters full - the load factor reached a record 76.9 per cent - and pre-tax profits jumped 23 per cent to £430m.

Robert Ayling, who takes over as chief executive in January, dismissed the importance of falling yields, the widely used measure of revenue received

per passenger kilometre flown. These continued to fall thanks to competition and an increase in the proportion of long haul flights which cost passengers less per kilometre but are more profitable for airlines to operate than short flights.

Following the results, analysts upgraded their expectations for the full year. BA is now expected to make profits of about \$580m in the full year to next March. Despite the higher pro-

jections, the shares, which have almost quadrupled in value over the past five years, closed 8p lower at 466p.

Mr Ayling admitted that the Eurostar train services between London and Paris and Brussels, had hit existing air services. Passenger volumes on the Paris route fell 13 per cent in the first half, although British Airways maintained its 45 per cent share of the air traffic market to the French capital.

Mr Ayling confirmed BA's vision of being "the best managed company in Britain" by the year 2000. He has staked his reputation as chief executive on the success of a management improvement programme tagged Leadership 2000.

Earnings per share increased 34 per cent to 33.8p (27.2p) and the interim dividend, with a scrip alternative, is 10 per cent higher at 3.85p (3.5p).

Investment column, page 22

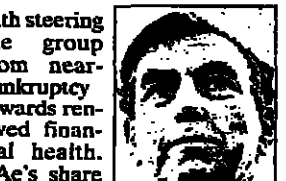
John Cahill, former BAE chief, dies at 65

JOHN WILLCOCK

Financial Correspondent

Mergers worth more than \$10m were announced on Wall Street yesterday in four separate deals, led by First Bank System's agreed \$10.3bn link-up with First Interstate Bancorp to create the US's ninth largest bank.

American retail banks are currently undergoing massive nationwide rationalisation. First Interstate rejected Wells Fargo's hostile \$10.1bn bid launched last month and began searching for a white knight. First Bank System of Minneapolis came in with an offer of 2.6 shares of its stock for each share of Los Angeles-based First Interstate. The



Cahill: architect of BTR's growth

with steering the group from near bankruptcy towards renewed financial health. BAE's share price, which had fallen to 100p immediately after his appointment in 1992, climbed to over 500p by the time he left in April 1994.

He oversaw the sale of Rover to BMW and was the driving force behind the £1bn write-off relating to BAE's regional jets business - a corporate record.

Wall Street clinches \$16bn deals

JOHN WILLCOCK

Financial Correspondent

two banks expect cost savings of \$300m a year.

In the second biggest deal announced yesterday International Paper agreed to purchase Federal Paper Board for \$2.59bn in cash and stock. International Paper, the world's largest forest-products company, will pay \$55 a share in cash or stock for each Federal Paper share. Including debt, the acquisition is valued at \$3.5bn, the companies said.

Federal's bleached paperboard products, used to make drinks cartons and frozen-food boxes, will fit with International Paper's own packaging products, the companies said.

"Merging this outstanding

forest products company will help us enhance our position as one of the industry's most efficient producers," said the International Paper chairman and chief executive John A. Georges.

The third of yesterday's deals involved a hostile bid for Cordis, a Miami-based maker of medical devices, from Johnson & Johnson.

Cordis yesterday agreed to accept \$1.8bn in stock after Johnson & Johnson - the New Jersey-based health care products company - increased its original bid by 13 per cent.

J&J said that it had received a request for additional information from the Federal Trade Commission about the pro-

posed combination of its neuroscience products business with Cordis's.

In the last and smallest deal, Sherwin-Williams said it agreed to buy paints and adhesives company Pratt & Lambert United for \$400m in cash.

Sherwin-Williams, of Cleveland, which makes paints under the Sherwin-Williams and Dutch Boy names, is the nation's largest producer of paints. The company said that it was interested in gaining access to the product niches Pratt and Lambert fills. New York-based Pratt & Lambert serves dealers, mass merchandisers, and specialty markets. It bought United Coatings last year.

Hope rise as

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COMMENT

There is a sense of inevitability, even boredom, in the markets as the endgame in the electricity restructuring is played out

A pricey benchmark in the electricity sell-off

Central South West has set a new benchmark in bidding £12.70 a share for Seaboard. Set against the £9.65 paid by SEI for Sweb, the first of the present wave of takeovers, or even the auction-inflated £11.85 that North West Water bid for Norweb, this looks pricey indeed. You don't have to look far to find the explanation. And no, it doesn't have much to do with Seaboard's unusually attractive qualities, even accepting it has any. Rather it is in Central South West's determination to succeed.

Having failed in conjunction with Houston Industries to acquire Norweb, Central South West was not going to be outgunned again. With just five regional electricity companies unaccounted for, the stock of available brides is getting low. In its determination to pull Central South West seems prepared to overpay, the more so since its erstwhile partner, Houston, was said to be in hot pursuit of the same gal. The lessons of Norweb have plainly been learned, with UBS in place of Cazenove, CSW moved into the market to make sure of its prize by snapping up 23.9 per cent of the shares.

Disappointed for a second time, Houston now has an effective choice of only three - East Midlands, Yorkshire and London. The other two are thought to have made themselves sufficiently unattractive to deter even the most desperate of American suitors. You never know, however. The list of targets is now so short that even Northern - the outsider of the industry since it took on huge

debts to ward off a bid from Trafalgar House - may be back on the list of bid candidates.

Of the others left in the game, Yorkshire and Swalec, the South Wales company, are top of most peoples' lists for a bid. London last week ruled out a merger with Thames Water, but is by no means out of the picture. East Midlands is available at the right price, though that may well be too expensive for some bidders' taste. The problem with Northern is judging what bid premium to pay for such a highly geared company.

There is now a sense of inevitability, even boredom, in the markets as the endgame in the electricity restructuring is played out. Even the Labour Party was unable to work itself up into a lather about it yesterday. The unspoken Government policy is to allow the electricity industry restructuring proceed to its logical conclusion. Three bids - the last one, National Power for Southern and PowerGen for Midlands - have yet to be cleared by Ian Lang, President of the Board of Trade, but it is hard to see him doing anything other than waving them through.

There can be no case for sending the Seaboard bid to the Monopolies Commission since it is a carbon copy of the offer for South Western by Southern Group of the US, which Mr Lang has already cleared. The approval of North West Water's ill-thought-out bid for Norweb can only be seen as a prelude to nodding through the other two. Not that there is anything wrong with this approach. Market forces stand at least as

good a chance of delivering a properly competitive industry structure ahead of full deregulation of electricity supply as the Monopolies and Mergers Commission. With the REC as they were, the chances of any kind of competitive market developing were pretty much zero.

Positive about Europe but not starry-eyed

It would be easy to dismiss yesterday's survey of business attitudes to Europe as another dull exercise with unexceptional results. After all, the CBI and British Chambers of Commerce have already made their views clear. A survey that shows most businesses want the Government to leave the single currency option open might seem to be both self-serving and unsurprising.

This particular exercise, however, carries a little more weight. For one thing, it is an opinion survey professionally conducted by one of the country's most respected polling organisations. It covered 1,700 businesses of all sizes and types. The results, showing a positive but not starry-eyed attitude to Europe, are the most authoritative we have on business opinions.

For another, the survey allows the two employers' organisations to lobby the Government from a confirmed position of strength against the siren voices of the Euro-sceptics. While there are plainly dif-

ferent shades of opinion about Europe within the business community, it does appear to make sense to talk about a business view. That view is a pragmatic, and broadly sympathetic one; it wants the Government to be in a position to influence EU decisions. A majority of businessmen and women believe there is a danger that British influence in Europe is fading because our partners think we are lukewarm.

There is some evidence to support this contention. The Bundesbank is likely to succeed in its insistence that central banks joining the single currency will have to impose uniform reserve requirements on their banks. This would hit Britain, which has no reserve requirements, harder than any other country. If we had not been so half-hearted about EMU, the Bank of England might have been better able to resist the proposal.

Indeed, Britain's stayaway stance on EMU is in marked contrast to its very substantial influence on the EU more generally as far as measures affecting business are concerned. It has, for instance, spearheaded drives for deregulation and competition in important European industries such as telecommunications and banking. Most businesses think the EU and the single market have been good for them. More than half believe a single currency would benefit British industry. Although the significant minority sceptical about moves to closer union should certainly not be overlooked, the silent majority sent a clear message yes-

terday to the Europhobes. Nor was it merely of the "if you cannot beat them, join them" variety. It was more positive than that. It was that monetary union might actually be good for business.

Defaulting on debt better not spoken about

The currency markets took it seriously, the US bond market ignored it - a warning from apparently senior US Treasury officials that the US might be forced to default on its debts unless Congress raises the ceiling on what the Federal authorities are allowed to borrow. Such threats are not taken too seriously on the other side of the pond, where they are part of the cut and thrust of budgetary jousting with Congress. Even spoken in jest, however, it is a pretty extraordinary thing to threaten. Not since the Civil War have the American authorities defaulted on their debt and even then it was only the Confederates. If such a thing were hinted at by anyone in authority in Britain, it would spell death for the gilt-edged market. Investors buy bonds because they are thought of as bomb-proof; no bond market can be credible if there is sizeable risk of default. The US Treasury officials threatening default may not be serious, but if they value their bond market they would be wise to keep quiet. There is of course no prospect of default. Congress wouldn't dare do it, even to Bill Clinton.

Manufacturing decline fuelled by lower car production

Hopes of rate cut rise as output falls

DIANE COYLE
Economics Correspondent

Hopes of a base rate cut by Christmas were boosted yesterday by figures showing an unexpected drop in manufacturing output in September.

The news of the decline, partly due to sharply lower car production, came as Ford announced that it has shut down production at its Halewood plant on Merseyside this week because of the slump in the home and export markets, and might impose another week-long shutdown later this month.

If the Budget is as tough as we expect, interest rates could be cut soon after 23 November. Manufacturers are probably cutting output to reduce their inventory levels, which had built up strongly in the first half of the year, economists agreed. But opinions differed over how severe the inventory correction might prove. Recent surveys of manufacturing have been more buoyant than the official figures, although the surveys also reveal a slowdown in growth.

Manufacturing output fell 0.6 per cent in September, while August's increase was revised down by half to 0.3 per cent. The decline was spread

Adam Cole of brokers James Capel said: "The debate about base rates will not be resolved until we see whether we have simply a pause in growth or a slowdown. Financial market reaction to the Budget would also be crucial, he added.

The disappointing figures for manufacturing output - back at its lowest level since April - raised fears that growth is becoming worryingly sluggish. Although the Treasury said the economy was growing at a sustainable rate, the Central Statistical Office yesterday said trend growth in manufacturing had slowed to 0.5 per cent, compared with 1 per cent in August.

Manufacturers are probably cutting output to reduce their inventory levels, which had built up strongly in the first half of the year, economists agreed. But opinions differed over how severe the inventory correction might prove. Recent surveys of manufacturing have been more buoyant than the official figures, although the surveys also reveal a slowdown in growth.

Manufacturing output fell 0.6 per cent in September, while August's increase was revised down by half to 0.3 per cent. The decline was spread

across most industries. The biggest falls were in engineering and the food, drink and tobacco industry, both down 1.3 per cent during the month, accounting for two-thirds of the fall in manufacturing.

A reversal of strong heat-wave-related sales in August explained the weakness in food and drink. Lower car output dominated the drop in engineering. It fell 6.7 per cent in September, while output of car parts and accessories was 3.8 per cent lower. Ian Thompson of the Engineering Employers' Federation said: "We are disappointed but not surprised."

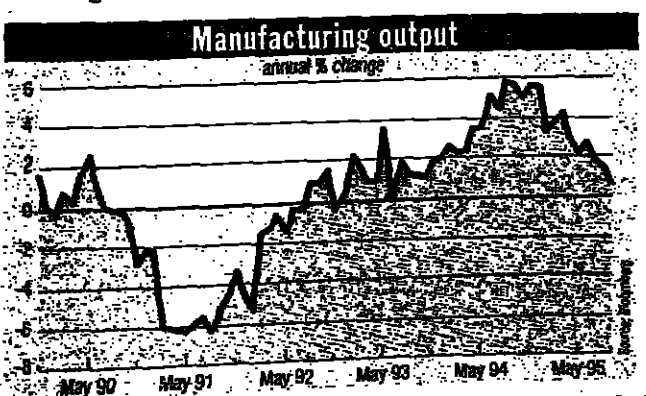
Both Ford and GM had reduced output because of high stock levels. Peugeot had had some one-day shutdowns.

Separate figures from the Society of Motor Manufacturers and Traders yesterday showed an 11 per cent rebound in new-car registrations last month, after a weak September.

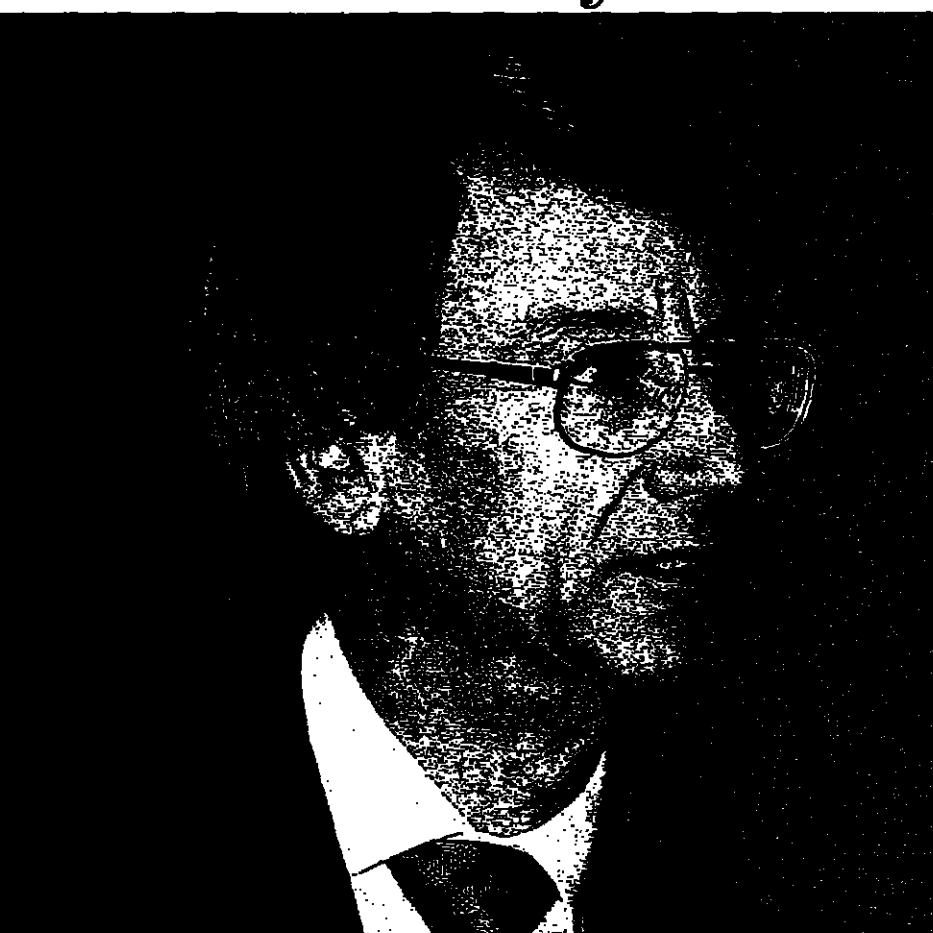
Manufacturing output grew 0.2 per cent in the July-September quarter, taking it to a level 1.2 per cent higher than a year earlier.

A big increase in energy output helped industrial production rise 0.5 per cent in September. Maintenance work in the North Sea and lower demand for energy during the hot summer had led to an earlier dip. Industrial output climbed 0.5 per cent in the third quarter as a whole, taking it to a level 1.2 per cent higher than a year earlier.

Separate figures on insolvencies from accountancy firm Touche Ross added to concern about the economy's weakness. There were a total of 213 appointments to administration and receiverships last month, compared with 145 in September and 184 in October 1994.



Glaxo boosted by anti-Aids drug prospects



High hopes: Sir Richard Sykes, chief executive of Glaxo Wellcome, who believes that Epiriv represents an advance in the treatment of Aids. Photograph: John Voos

MAGNUS GRIMOND

Shares in Glaxo Wellcome jumped 20p to 871p yesterday fuelled by the expectation that a new anti-Aids treatment to be marketed by the drugs giant would be recommended for approval by key US regulatory authorities.

In New York, the company's American depository receipts gained \$4 to \$27 3/8 ahead of the outcome of the meeting.

The anti-viral drugs advisory committee of the federal Food and Drug Administration was yesterday reviewing the new 3TC compound, now known under the trade name Epiriv. Studies have shown it is one of the most effective treatments against Aids when used with AZT, another Glaxo Wellcome drug. Analysts believe that, given the pressure to improve Aids treatments, the committee will recommend its approval to the full FDA. It is rare for the agency to overrule the committee and if Epiriv is given the green light, a positive decision could be reached before the end of the year.

However, forecasters are divided about the potential for new anti-Aids drugs. Epiriv is being reviewed alongside other anti-Aids treatments. Hoffman-La Roche's Invirase and Zerit developed by Bristol-

Myers Squibb will be discussed today and tomorrow. One view is that Invirase, and other so-called "protease inhibitors" that interfere with the reproduction of the virus, are the first of a new generation of anti-Aids drugs, and could double the market to over \$1bn annually.

By contrast, some analysts believe that, by 2000, Epiriv, a similar compound to AZT, could only be worth around £200m on its own to Glaxo, and perhaps £250m when it reaches its peak. Even in combination with AZT, the potential might be only £400m to £500m, much less than the £2.4bn sales of Glaxo's blockbuster Zantac anti-ulcer drug last year.

3TC was discovered in 1989 by BioChem Pharma, a Canadian company, with Glaxo, as it then was, taking licensing and development rights the following year. In September, results of the so-called Delta trial involving medical research agencies in seven European countries and Australia showed substantial clinical benefits using 3TC with AZT, over using AZT on its own, although no evidence of improved mortality.

Glaxo Wellcome, headed by Sir Richard Sykes, believes that its particular combination may offer improved side-effects compared with other so-called drug cocktails.

Lloyd Webber eyes £300m Express titles

DAVID HELLIER

Sir Andrew Lloyd Webber, the founder of the theatrical and music copyright company, the Really Useful Group, confirmed yesterday that he was interested in making a bid for the Express group titles.

"He has been interested in newspapers for a very long time and he is certainly interested in the Express group," a spokesman said. "But I cannot say who his partners are and I am not at liberty to confirm how far any talks might have gone."

However, one established player ruled itself out of the possibility of adding the Express titles to its stable. "There's no substance or truth to these rumours at all," said Daniel Colson, chairman and chief executive of the Telegraph group, after speculation that the group's Canadian proprietor, Conrad Black, was in talks over the Express group titles. "It's just the latest attempt by the Times City desk at fiction-writing," added Mr Colson.

Another group that has been mentioned as a possible buyer,

Tony O'Reilly's Independent Newspaper Group, which owns a shareholding in Newspaper Publishing, publishers of the Independent, declined to comment on what it said was "market speculation". However, it is believed that there have been talks between Dr O'Reilly, who has long had an interest in the Express group, and Sir Andrew, which could lead to a bid, possibly with Independent Newspaper Group as a partner or even Newspaper Publishing, in which Mirror Group also has a large shareholding.

City sources close to United News and Media, which owns the Sunday Express and Daily Express, were keen to dampen speculation that a sale was being planned. City analysts doubted that any purchaser, with the possible exception of Sir Andrew or Michael Green's Carlton Communications Group, would be prepared to pay the £300m plus needed to persuade United's Lord Stevens to let a sale go through.

The rumours of a possible sale have been fuelled by the recent appointment of the mer-

chant bank, Hambro Morgan, to come up with a strategy for the titles, which have struggled in competition with the more successful Daily Mail and the Mail on Sunday.

The Really Useful Group was floated in 1986 but was taken private again four years later when Sir Andrew felt he would do better without enduring the rigours of a stock market quote. The company, now 30% owned by Polygram, the entertainment giant, is expanding into the audio-visual sector and multimedia.

Businesses back single currency

DIANE COYLE
Economics Correspondent

British businesses are firmly in favour of keeping open the option to join a single European currency, and think political squabbling over Europe is damaging business interests.

Sir Bryan Nicholson, president of the Confederation of British Industry, presenting the results of the biggest ever survey of business attitudes to Europe, said yesterday: "We must be aware of the danger that the UK's loss of credibility and influence poses to business prospects."

Robin Geldard, president of the British Chambers of Commerce, said: "Business would like the Government to come down firmly on the basis that we stay in Europe and take a leading part in Europe."

The business community tends to favour European monetary union, according to a survey of 1,700 firms conducted by MORI for the CBI and BCC. A clear majority favour keeping all options open.

A majority are also against the raising of membership of the single currency during the lifetime of the next parliament - an idea said to appeal to the Prime Minister.

Only one in eight reject EMU outright, although nearly a third say it would not benefit or would damage British business prospects.

But adding the 8 per cent who would like the start of the sin-

gle currency to be delayed points to a significant minority who are sceptical or hostile to the project.

More than half the firms surveyed believe the political debate about Britain's commitment to Europe is harming their commercial interests. Only a fifth said it helped the Government's ability to promote British interests.

The respondents are also critical of Britain's "over-zealousness" in implementing European Union regulations.

This was cited by 44 per cent of firms as a factor behind unfair competition in Europe, followed by uneven enforcement of regulations by other EU countries, cited by 41 per cent, and illegal state aid in other countries, blamed by 22 per cent.

However, there are clear majorities in favour of two specific Government policies: the opt-out on the single currency, and rejection of the Social Chapter. Four-fifths of the companies surveyed are against the EU's social measures. Promotion of more flexible labour markets and skills training are seen as the priorities for social policy.

More than two-thirds of firms think EU membership has increased inward investment into the UK. There is also support for the single market, with just over half saying it had improved business opportunities within the EU.

Nine out of ten think business

interests would be best served by Britain's continued membership of the EU. Only 7 per cent favour withdrawal. Big firms are the strongest supporters of membership, with 97 per cent in favour. Small firms are less avid, with 84 per cent in favour.

Businesses are strongly against giving more powers to the European Parliament, but tentatively in favour of extending qualified majority voting by EU members in order to complete the single market more quickly.

Yesterday's survey confirms the result of earlier informal surveys by both the CBI and BCC. A survey of members by the CBI a year ago showed a greater proportion of respondents were then in favour of being in the leading group of countries to join the single currency, but the proportion in favour of keeping options open

is slightly higher now, at just over two-thirds.

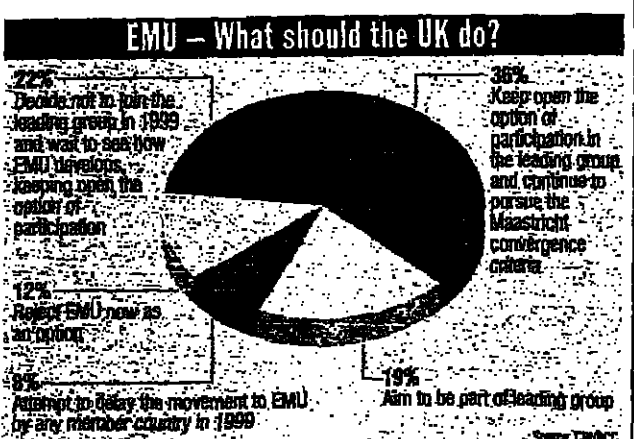
The Institute of Directors, which has a membership weighted more towards small businesses, remains hostile to EMU.

In a report published in June it emphasised the economic costs of a single currency, particularly the loss of control over interest rate policy.

The CBI and BCC plan to publish fact sheets for members on the single currency and other issues.

Mr Geldard said yesterday that there was a lack of clarity about what businesses want from Europe, but the survey showed there was a pragmatic and positive view.

"We hope it marks the beginning of a more rational discussion that puts the interests of British commerce and industry at the forefront," he said.



Dollar hit by budget deadlock

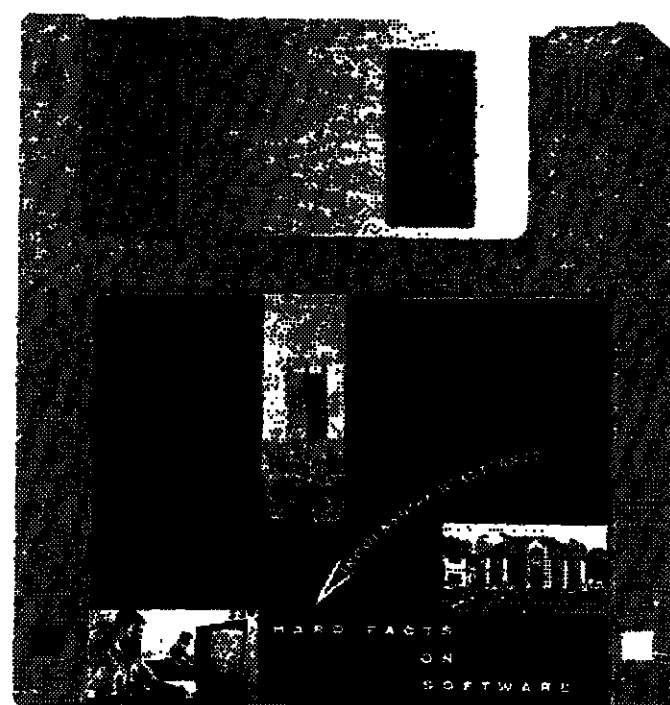
New York (Bloomberg) - The dollar weakened yesterday against major currencies on worries that political deadlock in budget negotiations could hit the US government's fund-raising programme. Treasury officials warned that the US could be forced to default on its debts as soon as this month unless the government can press ahead with its note auctions.

The delay on note auctions follows a refusal by the Republicans in Congress to raise the debt ceiling, as a bargaining lever to force President Clinton to bow to their plans for balancing the federal budget within seven years.

The dollar closed in London at DM1.41, against 1.4160 late on Friday in New York. The London close against the yen was ¥102.9, down on 103.90 late on Friday in New York.

The Treasury auction of \$31.5bn (£19.5m) in three and 10-year notes scheduled from today and tomorrow is now likely to be postponed because it would force the Treasury through the \$4.9trillion national debt ceiling. Most traders expect the government to avoid default, by arranging a temporary debt limit increase.

A default would raise US borrowing costs, and might prompt overseas investors to cut their holdings of US assets.



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COLLINS HEARTLANDS

THE INVESTMENT COLUMN

Edited by TOM STEVENSON

Soaring BA is still good value

Is British Airways a growth stock or a cyclical recovery play? More to the point from an investor's perspective, should the company be valued on a discount because it is currently riding high on buoyant economic growth in most markets of the world (and set for a fall), or on a premium because it is one of the likely beneficiaries of perhaps two decades of strong growth in air passenger traffic?

There's no answer of course, and the view you take on that question will determine whether you agree with the handful of City brokers recommending selling the stock, the similar number of buyers or those who haven't a clue. The range of views currently being espoused, despite broad agreement on prospective profits growth, makes for a healthy market even if it is guaranteed to confuse.

Interim figures yesterday from the world's favourite airline continued the good news of three months ago with second-quarter figures the best ever 12-week result. Interim pre-tax profits of £430m (£349m) were up an impressive 33 per cent. Earnings rose by a similar proportion to 33.8p (27.2p), allowing a 10 per cent hike in the half-time dividend to 3.85p (3.5p). For the first time since the late 1980s the balance between capacity and demand appears to be moving towards a sustainable equilibrium. The aircraft which spent the early 1990s mothballed in the desert are now carrying record numbers of passengers, with load factors (bums on seats) of almost 77 per cent, helping turnover through the £40m mark for the first time in a six-month period and generating cash flow of more than one and half times operating profit.

Importantly, first-class and business passengers, who generate the fattest margins, are on the increase.

It is not all complimentary champagne, however, with uncertainty hanging over BA's stake in USAir and losses from the European airlines still mounting up, if at a slower rate. Robert Ayling, the bright young heir apparent, admits that the company has a long way to go before it can claim to have shaken off its old state-run, bureaucratic shackles. Selling costs and pay are rising at a fair lick.

But those are small quibbles in the context of strong growth in passenger numbers, which some forecasters estimate at more than 6 per cent a year for the next 20 years. Compounded up, that represents a massive increase in the size of BA's target market, a growth that few if any relatively mature industries could dream of matching. Pre-tax profits of perhaps £580m for

the year to March put the shares on a prospective price/earnings ratio of about 11. That is not asking a lot, and the shares, which at 468p have all but quadrupled since flotation in 1987, still look good value.

Oily strategy pays off for ABF

Food manufacturers have had a grim time of late, hit by a rise in raw material costs and the increasing power of the supermarkets, which has made price increases a forlorn hope.

This could have been the story at Associated British Foods had Gary Weston not wisely continued to reduce the group's reliance on the grocery giants. Fifteen years ago, 60 per cent of ABF's business was with the big grocers. Now it is 20 per cent and falling. Although ABF is still Britain's biggest baker, it has moved more into food ingredients such as edible oils and fats as well as sugar – keeping it at a safer remove from the supermarkets. In July it paid around £100m for Kraft Foods' US edible oils interests. Last year it bought the US operations of Karlshams, the Swedish foods group.

More deals in this sector are expected and, with a £600m cash pile, the company has plenty of firepower.

The strategy appears to be paying off, with pre-tax profits for the year to September up by 16 per cent to £375m. The figures were boosted by a £48m increase in investment income and British Sugar turned in its customary solid performance, with profits up by 10 per cent to £184m.

But ABF has also turned the corner in some of its problem businesses. Allied Bakeries lifted profits after five years of decline. A 3 per cent price increase in January has stuck, just as well given that packaging prices rose by 25 per cent over the year.

The power of the supermarket is nowhere better illustrated than in ABF's ice cream business. In spite of a 17 per cent increase in sales – thanks to the summer heatwave – the division didn't make a cent.

Retailing profits increased by 8 per cent to £5m. However the group's Northern Ireland supermarket chains, Stewarts and Crazy Prices, may come under pressure from Tesco and Sainsbury, which are moving into the region.

Unlike many of its peers, ABF shares have enjoyed a good run this year, rising by more than 20 per cent. Yesterday they closed 13p higher at

701p. Merrill Lynch forecasts profits of £400m for the current year, which puts them on a forward rating of 12. Unlikely to excite but a steady performer to tuck away.

Profits blow at Hickson

No summer would be complete without a disaster at Hickson International. The plant explosions which hit the West Yorkshire chemicals group in successive years in the early 1990s were replaced last time by the loss of the catalyst at the centre of the "soap wars".

A little later in the season this year, Hickson has hit the market with news of production and marketing problems – expected to wipe out second-half profits for 1995 – the departure of chief executive Dennis Kerrison and the axing of this year's final dividend.

The news was all the more disappointing after the relative confidence expressed at the interim results in August. It now looks as though the £6.1m half-year profits – themselves little more than half the 1994 figure – will equal the trading outcome for the year, with exceptional charges plunging the pre-tax figure to a loss of around £17m.

The group's problems clearly defeated Mr Kerrison, but it remains to be seen whether the latest moves will be radical enough to correct them. One of the central issues is the 80-year old Castleford site, which is potentially the group's biggest profit generator but is running at 60 per cent capacity after being plagued by plant failures all year. Yesterday's appointment of a full-time manager for the operation should help, but necessary investment may be constrained by current gearing of around 60 per cent.

Meanwhile, the legacy of the detergent catalyst debacle continues. PharmaChem in Ireland is still struggling to find a replacement for the Unilever order, which represented a third of group profits. The decision to exit from some underperforming operations, kicked off by the \$33.5m sale of Hickson Kerley in the US announced yesterday, should help to eliminate losses and cut the interest bill.

Profits of say £12m in 1996 would put the shares on a prospective multiple in the mid-teens. That represents a premium compared with the market and Hickson's peers, but the shares are probably still just worth holding in case vague bid hopes turn into something more concrete.

Simon Pincombe CITY DIARY

Colour no bar to Ayling's black-and-white vision

Robert Ayling, the dapper British Airways chief executive, inadvertently reveals that he is superbly qualified for his role as chairman of Race for Opportunity, the Business in the Community initiative that aims to harness the potential of the UK's ethnic minority population.

He is colour blind. Yes, it's true. Barely has he taken over from Sir Colin Marshall than the permanent-suntanned Mr Ayling admits that he would have difficulty telling the difference between a BA hostess and her Virgin counterpart at two paces. Indeed, he probably doesn't even know he has a suntan, poor fellow.

The all-too-public diagnosis took place as the racially challenged executive took the controls for the presentation of his maiden set of interim figures. Confronted with a set of coloured bar charts he went into a minor tizz before inviting his audience to refer "to the bigger of the two".

Given his affliction one wonders how Mr Ayling manages to maintain such a refined sense of dress. We should be told.

The London Stock Exchange committee of "extremely senior and able individuals" examining the trends in private share ownership may not boast the "wide range of relevant experience" as was originally claimed. Carr Sheppards, the brokers, are concerned that Fred Carr, their chief executive, may be out of his depth on the panel and are appealing to clients for their help.

The committee, chaired by Sir Mark Weinberg, is undertaking a wide-ranging review of the equity market and aims to identify obstacles to the growth of the private investor. This is very much the A-team, according to the LSE, which cannot stress their qualities too highly.

"In spite of this, Fred has been asked to sit on the committee," notes Carr Sheppards' client newsletter. "It would be an understatement to describe this as a complicated brief. He [Fred] would very much appreciate it if any of you with views on this issue would write and tell him about them."

Mr Carr regrets that he cannot answer individual letters but he would be grateful for some ideas to throw into the debate none the less.

The seismic upheavals in regional stockbroker belts continue unabated. Granville Davies, a London-based institutional broker, yesterday paid an undisclosed sum for a seven-man team from the

Flushed with adrenaline from the announcement of his move to Abbey National as managing director of the personal financial planning division, Jeremy Budden sees the value of his leaving present savaged at a stroke. Colleagues at Sedgwick Noble Lowndes, "one of the UK's largest financial services consultancies," have not taken well to the sound bite which passed for his acceptance speech.

"With 14 years at Sedgwick I felt I couldn't ignore a job offer from a leading financial services company," blurts the assistant managing director of Sedgwick Financial Services.



Colour question: Robert Ayling confronts the race issue

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Huddersfield office of BWD Rensburg. The team, which started work in Leeds yesterday, specialises in smaller companies and is the latest in a long line of mass transfers stretching from Birmingham to the Channel Islands.

"People are prepared to pay substantial sums for good-quality teams," says Chris Broadbent, BWD's chief executive, who reckons that some full-blown mergers are overdue. In the meantime, he warns, the headhunters are making a killing. The words candy and baby spring to mind.

Further proof (if any were needed) that a good salesman can turn his spiel to any product. A move from bedroom furniture to the chocolate business, via office furniture, might normally be considered a stiff challenge. But not for Roger Puffard, who was yesterday named as the new group chief executive of Thorntons, the upmarket chocolate people.

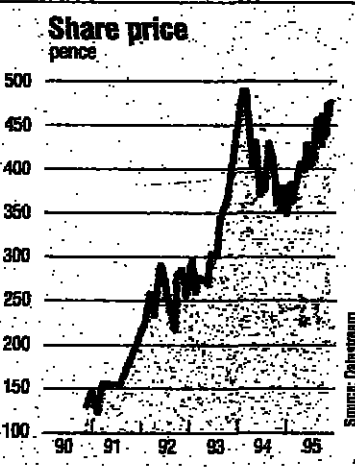
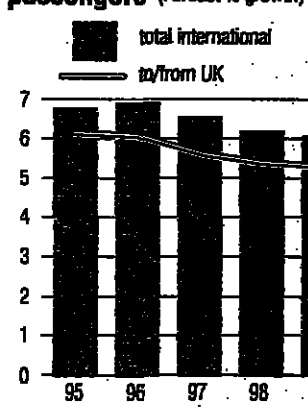
Mr Puffard is uninitiated in the art of the goody stuff. He is managing director of Staples UK, the office superstore joint venture between Kingfisher and Staples. Before that he ran a very nice line in bedroom furniture at Sharps.

British Airways: at a glance

Market value: £4.46bn, share price 468p

Five-Year record	1993	1994	1995	1996	1997
Turnover (£bn)	3,110	3,500	3,750	3,770	4,100
Pre-tax profits (£m)	179	280	327	349	430
Earnings per share (pence)	22.3	30.0	35.2	37.2	43.8
Dividends per share (pence)	10.16	11.10	12.40	13.50	14.85

International scheduled passengers (forecast % growth)



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ECONOMIC VIEW

HAMISH McRAE



Last year the world's largest debtor, the United States, fell further into debt; and the world's largest creditor, Japan, piled up even more assets. That is the principal conclusion of the latest survey by the Bank of England, published in its *Quarterly Bulletin*, of the net asset positions of those two countries, plus those of Germany, France and the UK (see graph).

In one way this is unsurprising for it largely reflects the different current account positions of the two countries. The balance of payments has, by definition, to balance, so any large current account deficits have to be covered by corresponding capital account surpluses. Balance of payments statistics are notoriously unreliable, but no one doubts that the US has been running large deficits, while Japan has been running similarly large surpluses. It would be very odd if the US debts were not becoming ever deeper and Japan's assets ever greater.

But there are two wrinkles to this smooth, rational picture. The first is that the US debts are not increasing as fast as one might expect, given the size of the current account deficits, and the Japanese surplus on assets is not rising as fast either. Last year the US deficit was \$156bn, but its indebtedness rose by only \$136bn. Japan's current account surplus was \$130bn but its net assets rose by only \$78bn.

The other wrinkle is the UK, for we have been increasing our net assets despite running a current account deficit. Last year we were just in current account deficit, but managed to increase our net assets by \$8bn.

There is a simple explanation for this, but one which leads to a complicated conclusion. The explanation is that changes in net assets are affected by changes in relative exchange rates and by the relative investment performance of the portfolios. Japan is the prime example here, for the net assets are only about half as large as they should be given its current account performance. Buy an office block in Los Angeles at the peak of the 1980s boom at Y300 to the dollar, see the capital value in dollar terms halve, and then translate back to yen at Y100 to the dollar and

you have a catastrophic investment. It is not to denigrate the valuable investment which Japanese companies have made in overseas plants to say that, in general, Japan's surpluses have not been well handled.

The UK is the other extreme. As the graph demonstrates, we managed to build up substantial surpluses during the early 1980s, when, thanks to oil revenues, we ran sizeable current account surpluses. Then we blew it all in the grand splurge of the late 1980s boom. Now,

We have managed to play our weak hand of cards sufficiently well to rebuild a modest stock of net assets

despite still running deficits, we have managed to creep back to a modest surplus, \$28bn at the end of last year, partly a function of sterling's depreciation, but partly canny investment.

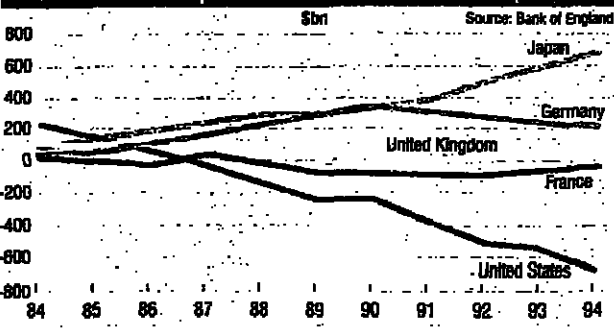
The rise of UK earnings from foreign investments is charted on the right-hand side. In three years we have pulled up from bare balance to a surplus last year of more than £10bn, though things have fallen off in the first part of this year. The main component – the big plus number – is the surplus on direct investment: the revenue from overseas plants owned by British companies, less what we pay to foreign companies for

their plants here. Last year we received £22bn and paid out only £9.5bn.

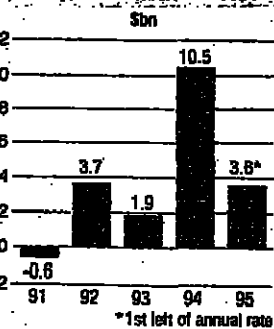
That is the explanation. Now for the conclusion. Think back about the ways in which countries thought of their competitive advantage 20 years ago. We would have talked in terms of our ability to make the most of our various export industries, and how we might counter the competition from overseas in our less successful ventures, such as motorcycle manufacture. If we were daringly mod-

ern, we might have included service industries such as finance and tourism in our tally. But thinking of the world in national terms seems less and less relevant. Nowadays manufacturing technology crosses national boundaries in a matter of weeks, large companies have plants in every major market, multinational firms own brand-named businesses that have nothing to do with the nationality of their parent, and the shares are owned by people in other countries. Surely in those sorts of immensely international worlds running a successful economy is much more akin to running a portfolio than

International comparisons of external net asset positions



UK investment income



RESULTS

	Turnover £	Pre-tax £	EPS	Dividend
Associated British Foods (F)	4,88m (4.51m)	375m (382m)	56.6p (64.7p)	4.5p (-)
Black & Leitch (F)	31m (31.6m)	0.74m (0.05m)	1.59p (0.83p)	0.75p (0.75p)
British Airways (F)	4,030m (3,782m)	430m (349m)	33.8p (27.2p)	3.85p (3.5p)
Business Post (F)	30.5m (23.6m)	5.9m (3.8m)	7.9p (5.1p)	3p (1.5p)
Granville Davies (F)	0.92m (0.23m)	0.04m (0.02m)	0.07p (0.02p)	nil (nil)
Lynx Holdings (F)	32m (21.5m)	2.56m (2m)	3.73p (4.5p)	1.55p (1.4p)
Pwlling (F)	50.4m (44.5m)	4.1m (4.4m)	3.3p (3.6p)	1.8p (1.9p)
Safelink (F)	15.5m (14.6m)	1.03m (1.03m)	2.77p (2.83p)	0.5p (0.86p)
Seton Healthcare (F)	35.4m (26.3m)	6.12m (4.03m)	9.5p (8.3p)	2.4p (2.03p)
Stratagems (F)	80.7m (80.4m)	4.1m (2.1m)	16.8p (12.7p)	8p (5p)
Whitbread (F)	68.8m (66.7m)	3.45m (8.74m)	8p (18.7p)	1.75p (1.5p)

(F) - Final (I) - Interim (N) - New recruits * adjusted for rights issues

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FOREIGN EXCHANGE RATES

[illegible]

OTHER SPOT RATES

Country	Sterling	Dollar	Country	Sterling	Dollar
Argentina	1,670,422	0.029	Nigeria	129,396	82.00
Brazil	15,8597	0.9485	Peru	0,00709	0.0549
Colombia	15,8597	0.9485	Pakistan	35,660	24 16
Costa	1,154,658	0.0206	Pakistan	41,098	26
Cuba	13,073,73	0.2266	Philippines	234.40	140.82
Egypt	6,603,92	0.3000	Portugal	7,716	3,6090
France	0,6770	0.0000	Spain	7,716	4,822
Ghana	210,883	1,335.00	South Africa	5,7594	3,6400
Guinea	387.94	0.0000	Tanzania	47.25	27
India	35,694	42.80	Thailand	22	3,5710
Kenya	4,472,26	0.3000	UAE		

Source: Forward rates quoted twice daily in the New York or in a different financial news report (see page 10). Data for high rates are in parentheses.

TOURIST RATES

A Steps		B Steps		C Steps	
Australia (Dollars)	2,030.00	France (Francs)	7,550.00	New Zealand (Dollars)	2,357.5
Austria (Schillings)	15,120.00	Germany (Marks)	2,170.00	Norway (Kroner)	8,620.00
Belgium (Francs)	44,500.00	Greece (Drachmas)	382,000.00	Portugal (Escudos)	20,000.00
Canada (Dollars)	2,085.00	Hong Kong (Dollars)	12,050.00	Spain (Pesetas)	187,500.00
Cyprus (Pounds)	0.700.00	Ireland (Pounds)	0.850.00	Sweden (Kronor)	10,280.00
Denmark (Kroner)	8,440.00	Italy (Lira)	2,680,000.00	Switzerland (Francs)	1,360.00
Finland (Markkas)	2,450.00	Japan (Yen)	182,000.00	Turkey (Lira)	77,010,000.00
France (Francs)	0.890.00		0.5425	United States (Dollars)	1,550.00

INTEREST RATES

UK	Germany	US	Japan
Base	6.75	Prime	Discount
France		Discount	0.50
Intervention	5.00	Fed Funds	Belgium
Italy	Prime		Discount
Discount	9.00	10-Day Repo	3.50
Netherlands	Discount	Sweden	2.00
Advances	3.70	Repo (Ave)	Switzerland
			Discount
			Lombard
			4.375

BOND YIELDS

Country	5yr	yield %	10yr	yield %	Country	5yr	yield %	10yr	yield %
UK	8%	7.28	8½%	7.83	Netherlands	6½%	5.26	7½%	6.49
US	8½%	5.81	6½%	5.53	Spain	10½%	10.38	10%	10.74
Japan	5.4%	1.57	4.6%	2.77	Italy	10½%	11.42	10½%	11.87
Australia	7%	8.17	7½%	8.57	Belgium	10%	5.90	6½%	5.90
Germany	6.2½%	5.17	6½%	6.29	Denmark	11%	8.79	6%	8.23
France	7%	6.50	7½%	7.34	ECU Unit	9½%	6.87	7½%	7.64

MONEY MARKET RATES

	O'Night	7 Day	1 Month	3 Months	6 Months	1 Year
Interbank	5 1/2	6 1/4	6 3/4	6 3/4	6 3/4	6 3/4
Starting CD's			6 3/4	6 3/4	6 3/4	6 3/4
Local Authority Daps			6 3/4	6 3/4	6 3/4	6 3/4
Discount Market Daps	5 1/2	6 1/4	6 3/4	6 3/4	6 3/4	6 3/4
Treasury Bills (Buy)			6 3/4	6 3/4	6 3/4	6 3/4
Dollar CDs			5.02	5.50	5.47	5.43

LIFE FINANCIAL FUTURES

Contract	Settlement price	High/Low for day	Est/Cons traded	Open interest
Long Gold	DOYG99	107.18 107.19	1,068.31	17,934
German Bond	DOYG99	96.96 96.98	199.33	87,247
J.G. Index	DOYG99	121.91 121.98	122.82	2,663
Oil	DOYG99	17.54 17.55	175.82	26,813
S&P 500	DOYG99	93.37 93.38	95.35	95,511
S&P 500	MAVG99	93.67 93.69	93.69	726,261
2M Euro	DOYG99	94.26 94.26	0	149
3M Euro	DOYG99	95.98 95.98	95.95	73,719
3M Euro	MAVG99	95.17 95.18	95.13	161,891
E.C.U.	DOYG99	94.36 94.37	94.37	482
E.C.U.	MAVG99	94.50 94.51	94.49	3,138
Flare 500	DOYG99	97.97 97.97	97.80	83,001
Flare 500	MAVG99	98.10 98.12	98.01	65,378
EUR 250	DOYG99	99.10 99.10	0	3,531

LIFE FT-SE INDEX OPTION

Settlement price: 3524.1	closing offer price				Call/Put
Series	3450	2500	2550	3400	Total/vols
November	89/10	90/23	23/49	8/88	
December	124/37	89/54	80/77	38/106	
January	149/54	119/74	88/96	68/125	--
February	171/64	141/84	111/106	89/134	--

COMMODITIES

[illegible]

Other Soils (Agricultural)

Dec	Nobon (No.3)	S/tonne	188.72	Feb-Apr	Soya Oils	FL/100kg	101
	Copra (1)	S/tonne	154/150	Nov-Dec	Coconut Oil (1)	S/tonne	755
Dec	Cotton (NY)	UScent/lb	66.35		Sunflower Oil	S/tonne	726
Feb	Wool	Australian	683	Feb-Apr	Rapeseed Oil	FL/100kg	97.5
Dec	Butter*	Mc/ton/kg	564	Jan-Mar	Groundnut Oil	S/tonne	965

Ought: 5 Dated/6: at any stage; * CIF Rotterdam; † Philippine Indonesia; * Malaysia; † Europe
 Sources: The Public Ledger/PLN.

ENERGY

Brent Crude

[illegible]

COMMODITY INDICES

Index	1970=100	1970=100	% Chg	% Chg	% Chg	% Chg
			% Chg	% Chg	% Chg	% Chg
Energy	183.96	-0.40	180.78	+1.77	180.24	+2.08
Agriculture	270.71	-0.44	248.01	+1.86	251.81	+3.59
Industrial Metals	59.82	+0.33	58.95	-	-	-
Nonferrous Metals	186.67	-0.46	217.93	-2.38	202.51	-1.40
Construction	178.77	-0.19	183.12	-2.38	170.45	+4.85
Consumer Goods	487.23	-0.15	467.21	+0.02	450.85	-0.72

Source: Commerce Dept. and U.S. Census Bureau. *1970=100 is a base year and does not change. **1970=100 is a base year and does not change. ***1970=100 is a base year and does not change.

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27

Nobilo's birdie barrage earns his first US victory

Golf
Frank Nobilo, of New Zealand, grabbed a dramatic one-stroke victory to rob the Spaniard Miguel Angel Jimenez in the Saratoga World Open in Saratoga, Georgia, on Sunday night. Nobilo, three strokes behind with five holes to play, charged into the lead with three consecutive birdies starting at the 14th hole.

Even a bogey at the final hole, where he took three putts, did not matter in the end as the European Tour stalwart held on to record his first victory on American soil. "It's lovely to win in America. I was just thinking the other night that I've won everywhere except Japan and America," Nobilo said after a closing four-under-par 68. The New Zealander finished with an eight-under 208 in the rain-shortened event, while the second-round leader Jimenez (73) and Zimbabwe's Mark McNulty (67) tied for second on 209. Nobilo collected £235,000, the biggest payday of his career, for his second victory of the year. He won the European Tour's BMW International Open in Munich in July. "This is almost what I won in Europe the entire year," said Nobilo, 35, who has been struggling recently while working on a swing change.

His victory completed a great weekend for New Zealand golf, coming only hours after the compatriot Michael Campbell won the Alfred Dunhill Masters in Indonesia. Nobilo and Campbell will team up to represent New Zealand in the World Cup of golf in Shenzhen, China, starting on Thursday. Jimenez fell behind with bogeys at the 15th, where he three-putted, and the 17th, where he made a mess of a chip, and missed a 20-foot birdie chance at the final hole which would have put him into a play-off.

Sam Torrance, of Scotland, who was alongside Nobilo overnight at four strokes off the lead, could only manage a final-round 74 to finish on 214, the same total as Paul Curry, of England, who finished with a 70. Nobilo's presence in Shenzhen will be a boost for the first major professional tournament in China, which yesterday lost Ian Woosnam. He withdrew after reportedly telling his Welsh team-mate, Mark Mouland, "You're better off without me." Rather than flying on from Indonesia, where he shot a closing 77 in the Alfred Dunhill Masters, the former world No 1 asked to be booked on the next available plane back to Britain where he will see a specialist after a recurrence of back trouble. Phillip Price, 110th on this season's European money list, has agreed to stand in at short notice, although Mouland, who finished joint second in Indonesia, said: "There won't be much time for him to acclimatise and get used to the time difference."

'Animal' caught out by broken toe

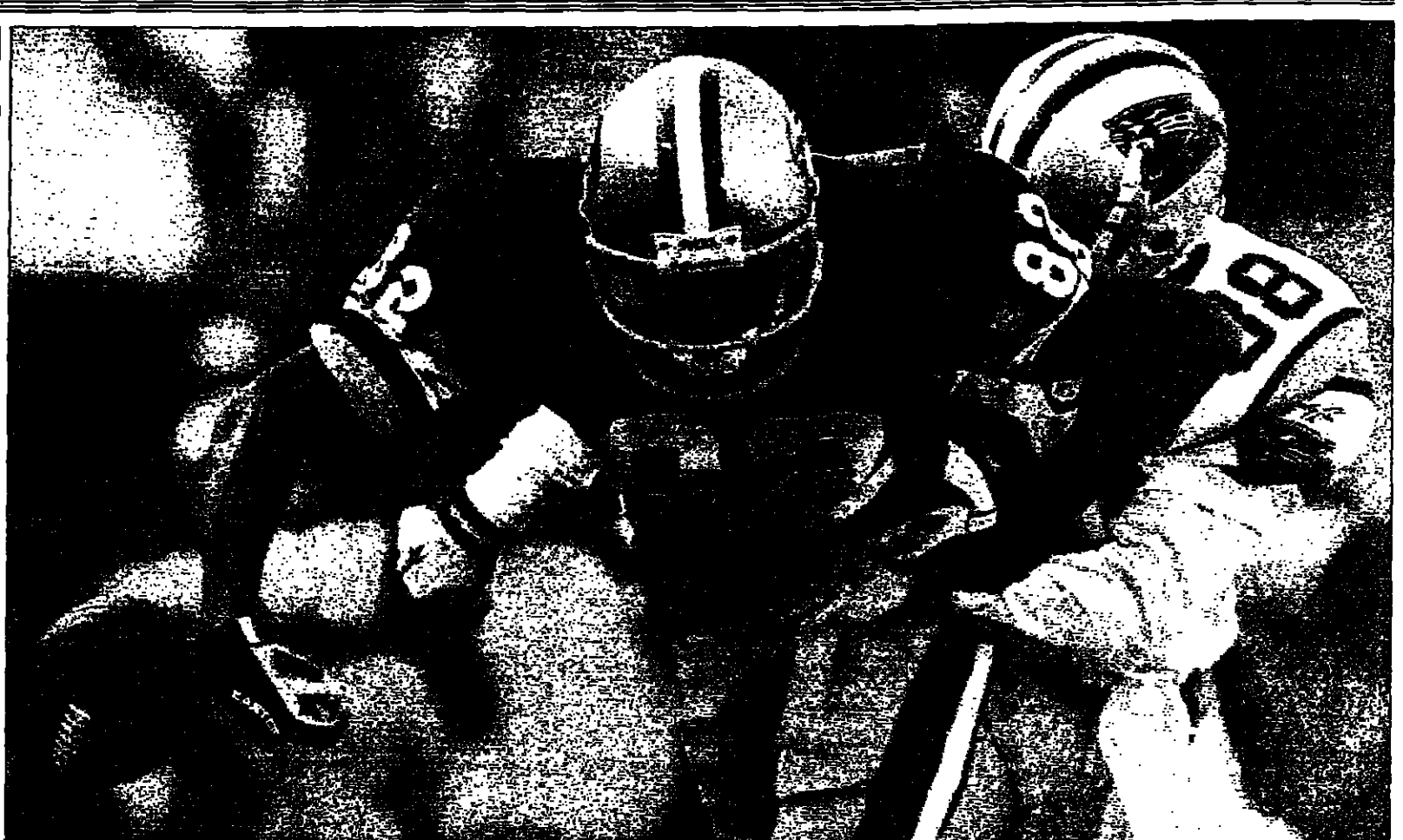
Football
The woes of the Flamengo striker Edmundo, who was accused last week of making an obscene gesture to rival fans during a game, continued when he broke his toe in his side's game against Internacional. The player nicknamed "the Animal" was taken off just before half-time on Sunday after being injured in a clash with the Paraguayan defender, Carlos Gamarra, who had marked him out of the game. He is expected to be out of action for six weeks.

The Brazilian Championship match ended goalless, leaving Flamengo with only a slim chance of winning Group A in the competition's second stage, in which teams from the different groups meet, and earning a semi-final place.

Scotland's door still open for Ferguson

PHIL SHAW
Although he languishes in prison, Scotland have not locked the door on Duncan Ferguson. After naming his squad for the final European Championship qualifying fixture against San Marino yesterday, Craig Brown stressed that the birdman of Barlinnie was still in his thoughts. The pigeon-fancying Everton forward, jailed for head-butting an opponent, has not played for Scotland this year. But by suggesting there was still hope for him, and intimating that Eoin Jess would partner Scott Booth against Group Eight's bottom-placed team at Hampden Park a week tomorrow, Brown effectively conceded that he is no closer to a settled attacking duo.

The Scotland manager started the campaign with Duncan Shearer and Andy Walker as his front two. Since then, he has tried permutations involving Ferguson, John McGinlay, Darren Jackson, John Robertson, Ally McCoist, John Spencer and Booth, without being satisfied by the chemistry. Only Booth, the Premier Division's top scorer with eight goals, has done enough to be a certainty for the finals if, as anticipated, the Scots' place is confirmed against San Marino's part-timers and amateurs. It is an indication of Brown's increasingly pressing need to find a suitable foil that he has now brought in Jess. Eight previous caps failed to coax a goal from the 24-year-old Aberdeen player. Moreover, Jess now plays his club football in midfield, a department where Scotland's first-choice quartet is firmly established. "I've told Eoin he has a far higher chance of playing up front," Brown said. "If he proves himself in this game and keeps his form throughout the season, the chance is there for him and Booth to prove they're our main strikers."



Butcher fingers: John Taylor (No 82) of San Francisco commits the 49ers' fourth turnover under pressure from Tyrone Poole. Photograph: Andy Kuno/AP

Ailing 49ers fast running out of steam

American football
MATT TENCH
Before the season started, the American paper the *Sporting News* ran a three-page feature on the San Francisco 49ers offense, the general tenor of which was that there was no stopping it, the best you could hope for was a measure of containment. Half a season later, there may be a need for an apology.

Not that the 49ers were alone in regarding the attacking potential of the defending Super Bowl champions as one of the wonders of the sporting world. With Steve Young in his prime, Jerry Rice still hungry and the West Coast offense tuned to perfection, a succession of 40-point victories seemed a formality. All of which makes the demise of the 49ers, and their offense in particular, the most extraordinary aspect of a bewildering couple of months in the NFL. It is not unusual for the boys from the Bay Area to drop the odd game in the season's opening chapters, but Sunday's defeat was their fourth, and their second in a row at home to a team they would normally thrash. A week ago they could manage only seven points against New Orleans, and they had to make do with the same meagre return in losing to an expansion club, the Carolina Panthers.

The 49ers have been badly hit by injuries with Young, William Floyd and Brent Jones all missing, but enforced absences are the name of the game and the 49ers cannot beat the Panthers and Saints it is hard to see them getting within 14 points of their old rivals. "The 49ers' claim to be the second-best team in the league probably belongs to the Kansas City Chiefs, whose eighth victory of the season came at the expense of Washington. The Chiefs lead a highly competitive AFC West in which the Oakland Raiders are also thriving. For fans of the Cleveland Browns, depression at their latest defeat (to Houston) paled into insignificance once the news broke that Art Modell, the team's owner, intended to move the team to Baltimore next season. On the face of it, the decision seems astonishing as the fans in Cleveland, unlike those in Los Angeles which lost two teams in the summer, are among the most committed in the league. However, the NFL is above all else a league of businessmen, and if Modell can make more money in Baltimore we can expect the removal men.

Sydney harbour too small for Olympics

Sailing
STUART ALEXANDER
A shadow will be cast this week over what was meant to be the sparkling high point of Olympic yachting, the 2000 Games in Sydney. The famous harbour setting was expected to give the sport the sort of glittering back television coverage, something which sailing needs to provide if it is to continue to enjoy Olympic status and support.

To soften the blow, they will confirm that there is enough room for some of the events, including the more spectacular contests which may feature a new style of high performance sports boat - the British Laser 5000 is a leading contender against Sydney's home grown 18-foot skiffs. But that could threaten the continued appearance of either the two-handed Star keelboat or the Finn men's singlehanded race. And there will be a challenge when the individual classes of boat are chosen in London next year from the colourful 16-foot Hobie Cat to the present multi-hull, the Rornado catamaran. Supporters of the Hobie Cat, which holds its world championship at the end of February in Dubai, the likely choice of the

organisers about the sailing venue in Savannah. After much lobbying, assurances will be given that a huge day marina, at a cost of up to \$1m (£633,000), will be provided, instead of using Williamstown Island, which all but disappeared during hurricane-induced high tides earlier this year. A fleet of barges will allow competitors to pull their boats out of the water as well as giving shelter and other facilities. Behind the scenes, the major power struggle will be over moves by the IYRU to bring the London-based Offshore Racing Council under greater control, combining that with moves to introduce yet another handicapping rule to challenge the relatively new International Measurement System.

Early nerves are overcome by Parke

Squash
Simon Parke, the England first string, was "a bit relieved" to have survived a first-round tie with Dan Jenson, a 19-year-old qualifier from Australia, in the World Championship in Nicosia, Cyprus, yesterday. "It was a nervous performance," Parke said, after winning 15-6 11-15 15-11 15-13. "Dan is such a quick, inventive player."

WHERE ARE THEY NOW?

TONY HATELEY
No one could have been more delighted than his father when Mark Hateley, 34 today, agreed to join Queens' Park Rangers. Tony, himself once a striker of equal repute, hopes now to have more opportunities to watch his son play, having lived on meagre rations during Mark's exile in Milan, Monaco and Glasgow. "My glory days are in the past, but I'm living them again in a way, through Mark, and I'm looking forward to seeing him in the Premiership, especially when he comes to my area," he said. Home for Tony is the Maghull district of Liverpool, his base for 20 years. Hateley Sr, scorer of 211 League goals in a 16-year career, the biggest part spent with Notts County and Aston Villa, retired in 1974, but his hopes that coaching qualifications would win him a manager's job came to nothing. "I applied for two or three, but quickly found it was a case of who you know rather than what you know. I started asking myself if I really needed the frustration."

American Football

NFL Standings

Team	W	L	T	PF	PA
American Football Conference					
Indianapolis	6	0	0	238	147
Pittsburgh	5	1	0	172	156
Cincinnati	4	2	0	172	156
Cleveland	3	3	0	172	156
Baltimore	3	3	0	172	156
San Diego	3	3	0	172	156
Denver	3	3	0	172	156
Kansas City	3	3	0	172	156
Chicago	3	3	0	172	156
Minnesota	3	3	0	172	156
Green Bay	3	3	0	172	156
Atlanta	3	3	0	172	156
San Francisco	3	3	0	172	156
Seattle	3	3	0	172	156
San Jose	3	3	0	172	156
Los Angeles	3	3	0	172	156
San Francisco	3	3	0	172	156
Seattle	3	3	0	172	156
San Jose	3	3	0	172	156
Los Angeles	3	3	0	172	156

SPORTING DIGEST

Baseball
MLB: Boston 5, New York Yankees 4. Boston leads the AL East with a 4-1 record. The Yankees are 1-4.

Cricket
Test: India 297, Pakistan 253. India leads the series 2-0. Pakistan is 1-2.

Rugby
Rugby Union: Wales 27, England 17. Wales leads the series 2-0. England is 1-2.

Ice Hockey
NHL: New York Rangers 4, Philadelphia Flyers 3. The Rangers lead the Atlantic Division with a 4-1 record. The Flyers are 1-4.

Soccer
Premier League: Manchester United 2, Arsenal 1. Manchester United leads the league with a 4-1 record. Arsenal is 1-4.

TODAY'S NUMBER

182

The number of League games that Manchester United have won out of the 363 they have played during Alex Ferguson's management. Ferguson, who begins his 10th year in charge today, has presided over 16 defeats.

SPORT



'I'm still a South African. Always have been, always will be'
MIKE CATT talks about his pride in playing for England, his frustration at playing with Roy Andrew, and Jonah Lomu and those pizza ads

Page 28

Leading clubs look to the money men

Rugby Union
DAVID LLEWELLYN

The talk is cheap, the solution is costly. For all the words on the subject, professionalism boils down to one thing—money. And lots of it, according to the leading clubs in the Courage League. English First Division Rugby Limited yesterday unveiled their blueprint for the game, which was proffered to the Rugby Football Union's commission a couple of weeks ago.

The overall conclusion of EFDR chairman, Peter Wheeler, was that clubs will need at least £1m at the start of the 1996-97 season in order to undertake the changeover to a professional game. The EFDR envisaged raising the cash by persuading the RFU to give each club £500,000 from their television monies for European and domestic competitions, with the clubs then raising the balance through sponsorship, perimeter advertising and collectors' cards of players—an idea borrowed from football's Premiership which raised £2m in a season.

There are other ways of course. Newcastle have Sir John Hall and now two other clubs are looking for a major investor. Saracens held a meeting of members last night in which a vote was taken on whether the club should become a public limited company. If the verdict was yes then they were due to announce backing from a prominent business-

man prepared to put up £2m to help launch the north London club into the professional era. And Bath are seeking approval from their membership for a similar money-raising deal. Their 4,000 members have been sent a letter asking them to allow the club to be handed over to a millionaire backer. This move reinforces the suspicion it

was Bath who put an advertisement in the *Financial Times* asking for a wealthy investor. They expect to know the outcome of their mail shot by Thursday. By then, of course, the RFU commission will have published their report and the First Division clubs will discover whether any of their ideas have been adopted by Twickenham. The

EFDR paper set up three working parties to look into: marketing and RFU representation; competition and the structure of the season, including moving the Five Nations Championship to the end of the season, which is in line with the commission's thinking; players' contracts, registrations and transfers.

On the subject of transfers Wheeler, the former England captain and hooker and now president of Leicester, predicted transfers will go over "the £100,000 mark very quickly". The EFDR wants a regulatory body to control player movement and they also want to see a fixed scale of fees introduced, although they are aware that such a ruling would be subject to English and European law. Players would be allowed a payment of between five and 10 per cent of any transfer fee. They have drawn a great deal on football's example and want a transfer deadline. When it comes to players' contracts they want them to be between club and player rather than country and player. Clubs are already considering

signing up their players to protect them from predatory clubs like Newcastle and Harlequins. The Northampton coach, Ian McGeechan, revealed yesterday that Quins, who have just had a £50,000 offer to sign England lock Martin Bayfield turned down by the player, have not given up. "Martin has been put under quite considerable pressure with the persistence of Quins," McGeechan said. "It's a lottery at the moment with no contracts being allowed. The really vulnerable players at the moment are those playing in top sides' Second XVs. Ideally I would like to sign our players on three and five-year contracts." Wheeler does not expect to find the EFDR in full agreement with the RFU commission but

FA to hold St Andrew's inquiry

Football
CATHERINE RILEY

The war of words between Birmingham City and Millwall continued yesterday, with both insisting their fans were not responsible for the crowd disturbances which marred their First Division match at St Andrews.

The Football Association has confirmed it is to hold an official inquiry into Saturday's clashes—both inside and outside the ground—between fans and police, who insisted Birmingham supporters had instigated the trouble.

Superintendent Roger Conway of West Midlands Police said Birmingham fans seated above Millwall supporters "were splitting and throwing coins and even golf balls. As the game came to an end, the missiles became heavier and bits of wood were being hurled down. The Millwall fans, to their credit, did not retaliate, but at the end of the game, their patience ran out and a few began ripping up plastic seating which they threw up towards the Birmingham fans."

Birmingham, however, are adamant their fans were guilty of nothing more than over-exuberance, and rejected allegations that a Millwall substitute, Dave Savage, was punched by a City fan while warming up.

Chelsea's behind the scenes power struggle intensified yesterday as Matthew Harding, the Stamford Bridge landlord, resigned as a director of Chelsea Village, the company run by Ken Bates which owns the club.

His resignation is believed to have been brought about by an increasingly difficult relationship with Bates, Chelsea's chairman, although Harding may be about to launch a bid for Bates' controlling interest in Chelsea Vil-



Making headway: Maurice Lindsay, the chief executive of the Rugby League, announcing the structure of the new Super League in Leeds yesterday

Photograph: John G...

European Super League blueprint unveiled

Rugby League
DAVE HADFIELD

The game's best-ever fixture list was unveiled yesterday—and no less an authority than Mal Meninga says that it will all actually happen.

An opening day European Super League line-up that includes Sheffield Eagles at Paris, followed by a wealth of international competition; it all sounded, as even the most sceptical over the intentions of News Ltd would have to admit, absolutely splendid.

On the face of it, the decision of all rugby league's governing bodies apart from Australia to go along with Rupert Murdoch and his "global vision" will produce a wealth of goodies.

That first European Super League season, starting in March, for instance, will lead to play-offs between the top four clubs in Europe and Australia, producing a World Club Championship Final in Australia next September.

Although the rift with the Australian Rugby League means, inevitably, that the scheduled Lions tour there next summer will not take place, it is replaced, in this new blueprint, by a tour taking in Tests in Papua New Guinea, Australia and New Zealand next autumn.

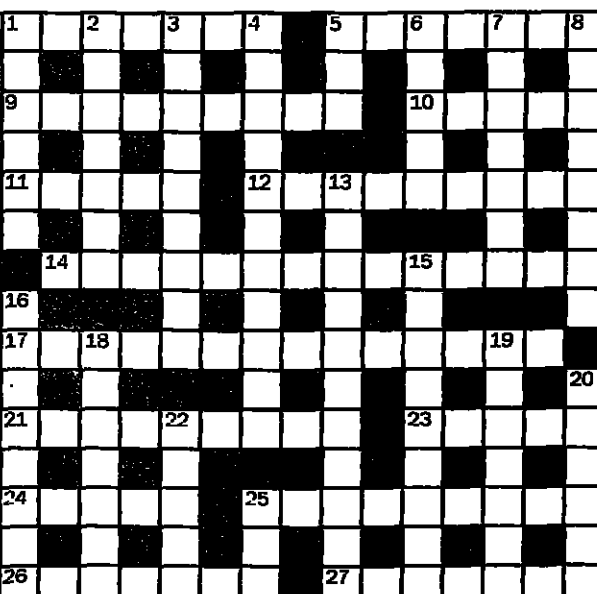
All that seems to hinge heavily on Super League winning its court case against the ARL. That is something which Meninga, one of Australia's greatest players before becoming a highly-effective figurehead for the break-away Super League, firmly believes it will do.

THE INDEPENDENT CROSSWORD

No. 2825, Tuesday 7 November

By Aclred

Monday's Solution



POPSICAR BRAILLE
 O E I E A V I N
 A P R O N C O R P U L E N T
 C E G E O N G T
 H I N G E R S O N C L E A R
 E A N S U
 R U I N S I N D O L E N C E
 A P O I A U
 G O F F I N K S R O M E O
 R O C B I
 A I S O N R I G H T A B I
 P T E A I R S
 T R A V E L L E R T R U N K
 E W R A G C L I
 D Y N A S T Y E C H E L D O N

ACROSS
 1 Don't mind adult responsibility, it's exciting (7)
 5 A socialist about to sue out you've given word (7)
 9 After tea shocked RAC ban old vehicle (9)
 10 One, say, is offering protection (5)
 11 Showing no difference in the qualifications (5)
 12 Encourage one in shoot to scramble, having used this? (3-6)
 14 Absence of delivery? (9,5)
 17 Inure sound heard to be managed when badly fed (14)
 21 One new dodge almost suppressed sin, nasty but essential (9)
 23 Picture that is found on outside of periodical (5)

DOWN
 24 Anger Geordie girl? (5)
 25 Pretend to take time to get going (9)
 26 Score own goal? My pal is upset (7)
 27 Perhaps Governor-General's horses? (7)
 7 It could be great at Henley (7)
 8 Possibly Crete by day is circus-spert (8)
 13 Start making omelettes? (3,8)
 15 Sail Tuesday? Certainly not when suffering from tiredness (9)
 16 Activity of boxer dog is rounding up 51 on motorway (8)
 18 Hesitates to be flashily shirted (7)
 19 Put out English person at high tea (7)
 20 About to abandon reconnaissance on ship for a break (6)
 22 Perfect notion to Liberal (5)
 25 South Africa's foreign capital, for instance (3)

SA name quick-fire team

Cricket

JAMES ALEXANDER
 reports from Kimberley

Brute force will be the method employed by South Africa in their attempt to win this series. They announced a 12-man squad yesterday for the first Test against England, which includes five bowlers ranging from fast-medium to very fast indeed.

It is likely all five will play, unless the pitch at Centurion Park in Pretoria is expected to turn at the last minute, in which case the left-arm spinner, Clive Eksteen, will be in the XI. Even the West Indies have never employed more than four fast bowlers in any one match.

Shaun Pollock, the latest in a famous dynasty and son of the present chairman of selectors, is one of the five, and named for the first time. Peter Pollock was an outstanding fast bowler who took 116 wickets in 28 Tests and under Grame, of course, was a batsman rivalled only by Sobers as the best in the world 25 years ago.

Saddam's team head goalscorers

The number of goals in international football matches is on the increase—but the World Cup holders, Brazil, have scored less than Iraq.

In its biggest-ever survey, world football's governing body, Fifa, yesterday published details of 12,865 goals scored in 5,119 matches over the past 10 years.

The match average was 2.5 goals in the mid-1980s. In the late 1980s this slumped to just over two. It reached a high of 2.8 in 1993 and currently stands at 2.7.

The World Cup finals in Italy in 1990—with only 2.2 per match—prompted Fifa to introduce rule changes favouring attacking play. The reforms paid off at the 1994

World Cup in United States, where fans enjoyed an average of 2.7 per match.

Iraq heads the list of scorers, netting nearly two per match between 1985 and 1995. Brazil, Mexico, the Netherlands and New Zealand are next on 1.8. The highest score was Uganda 9 Iran 8, in November 1989.

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